

- Public Bike Share.
- Secondhand Store.
- Small-scale Pharmacy, subject to the provisions of section 11.22 of this By-law.
- Vehicle Dealer.

3.2.S [Service]

- Animal Clinic.
- Auction Hall.
- Bed and Breakfast Accommodation, subject to the provisions of section 11.4 of this By-law.
- Catering Establishment.
- Funeral Home.
- Motor Vehicle Repair Shop.
- Motor Vehicle Wash.
- Neighbourhood Public House.
- Print Shop.
- Restaurant - Class 1.
- School - Arts or Self-Improvement.
- School - Business.
- School - Vocational or Trade.
- Sign Painting Shop.

3.2.U [Utility and Communication]

- Public Utility.
- Radiocommunication Station.
- Recycling Depot.

3.2.W [Wholesale]

- Wholesaling - Class A.
- Wholesaling - Class B.

- 3.2.Z • Any other use which is not specifically listed and defined as a use in section 2 of this By-law but which the Development Permit Board considers comparable in nature to the uses listed in this Schedule, having regard to the intent of this District Schedule.

3.3 Conditions of Use

- 3.3.1 All commercial uses listed in this section shall be carried on wholly within a completely enclosed building, except for the following:

- (a) parking and loading facilities;
- (b) full serve and split island gasoline station, except that section 11.10.2 of this By-law continues to apply;
- (c) restaurant;
- (d) neighbourhood public house;
- (e) farmers' market;
- (f) public bike share; and
- (g) Urban Farm - Class B.

- 3.3.2 • Manufacturing Uses shall only be permitted subject to the following:

- (a) the total floor area in manufacturing use does not exceed 300 m²;
- (b) except for entrances to the manufacturing portion and display features which, in the opinion of the Development Permit Board, benefit pedestrian character, that portion of the first storey of a building to a depth of 4.5 m from the front wall of the building and extending across its full width shall be used for ancillary retailing purposes, unless the applicant can demonstrate, to the satisfaction of the

- Development Permit Board, that the site is located in a block predominantly developed with auto-oriented retailing or general business commercial uses and that deletion of the required retailing would not adversely affect adjacent uses; and
- (c) before granting a permit the Development Permit Board shall first be satisfied that there will be no undue adverse effect on uses within the building or on an abutting site.

4 Regulations

All uses approved under sections 2 and 3 of this District Schedule shall be subject to the following regulations.

4.1 Site Area -- Not Applicable.

4.2 Frontage

The maximum frontage for any commercial use shall be 15.3 m.

4.3 Height

- 4.3.1 The maximum height of a building shall be 12.2 m except that in the case of a site fronting on a street running east and west, no portion of a building shall extend above an envelope formed by a vertical line measuring 7.3 m in height at the north property line and a plane formed by an angle of 30 degrees measured from the horizontal and having its vertex at the maximum building height permitted at the north property line.

- 4.3.2 The Director of Planning or the Development Permit Board, as the case may be, may permit an increase in the maximum height of a building to a height not exceeding 15.3 m with respect to any development and may permit a building which exceeds the envelope, provided he first considers:

- (a) the height, bulk and location of the building and its effect on the site, surrounding buildings and streets, and existing views;
- (b) the amount of open space, including plazas, and the effects of overall design on the general amenity of the area;
- (c) the intent of this Schedule, all applicable policies and guidelines adopted by Council and the relationship of the development with nearby residential areas; and
- (d) the submission of any advisory group, property owner or tenant.

4.4 Front Yard and Setback

- 4.4.1 For any use listed in Section 2.2, a front yard shall not be permitted and a front setback shall only be permitted where a pedestrian or shopping courtyard or other features benefitting pedestrian character are provided, or where otherwise required by this By-law.

- 4.4.2 A setback of 1.2 m from the front property line shall be required for any parking area.

4.5 Side Yards and Setback

- 4.5.1 No side yard shall be required except where the site adjoins, without the intervention of a lane, a site located in an R district, in which case the following side yard requirements shall apply:

- (a) where the adjoining site is in an RM district, a side yard with a minimum width of 1.5 m shall be provided adjoining the RM district;
- (b) in all other cases, a side yard with a minimum width of .9 m shall be provided, except in the case of a corner site in which case an exterior side yard need not be provided.

- 4.5.2 Where a side yard is provided, although not required, the minimum provisions of section 4.5.1 shall apply.

4.5.3 In the case of a corner site, a setback of 1.2 m from the side property line abutting the flanking street shall be required for any parking area.

4.6 Rear Yard and Setback

4.6.1 A rear yard with a minimum depth of 3.1 m shall be provided, except that where the rear of the site abuts a lane, this required minimum depth shall be decreased by the lane width between the rear property line and the ultimate centre line of the lane.

4.6.2 Where any portion of a building contains residential uses, that portion shall be set back a minimum of 7.6 m from the rear property line across the full width of the building, except that where the rear of the site abuts a lane, this required minimum setback shall be decreased by the lane width between the rear property line and the ultimate centre line of the lane.

4.7 Floor Space Ratio

4.7.1 The floor space ratio shall not exceed 1.50 in the case of a site used for purely residential uses, and in all other cases 2.50 to be distributed as follows:

- (a) uses listed in sections 2.2 and 3.2, but excluding residential uses, to a maximum floor space ratio of 1.00 on the ground or first floor;
- (b) uses listed in sections 2.2 and 3.2, but excluding residential uses, to a maximum floor space ratio of 0.50 on the second floor;
- (c) residential uses to a maximum floor space ratio of 1.00 if section (b) above has been employed, or 1.50 if section (b) has not been employed, on the second or higher floors; and for the purposes of the computation of floor space ratio, an artist studio and the associated residential unit shall be considered a residential use.

4.7.2 The following shall be included in the computation of floor space ratio:

- (a) all floors of all buildings including accessory buildings, both above and below ground level, to be measured to the extreme outer limits of the building.

4.7.3 The following shall be excluded in the computation of floor space ratio:

- (a) open residential balconies and any other appurtenances which, in the opinion of the Director of Planning, are similar to the foregoing, provided that the total area of all exclusions does not exceed eight percent of the residential floor area being provided;
- (b) patios and roof gardens, for residential purposes only, provided that the Director of Planning first approves the design of sunroofs and walls;
- (c) where floors are used for off-street parking and loading, the taking on or discharging of passengers, bicycle storage, heating and mechanical equipment or uses which in the opinion of the Director of Planning are similar to the foregoing, those floors or portions thereof so used which:
 - (i) are at or below the base surface, provided that the maximum exclusion for a parking space shall not exceed 7.3 m in length; or
 - (ii) are above the base surface and where developed as off-street parking are located in an accessory building situated in the rear yard, provided that the maximum exclusion for a parking space shall not exceed 7.3 m in length.
- (d) child day care facilities to a maximum floor area of 10 percent of the permitted floor area, provided the Director of Planning, on the advice of the Director of Social Planning, is satisfied that there is a need for a day care facility in the immediate neighbourhood; and
- (e) all residential storage space above or below base surface, except that if the residential storage space above base surface exceeds 3.7 m² per dwelling unit, there will be no exclusion for any of the residential storage space above base surface for that unit.

- 4.7.4 The Director of Planning may permit the following to be excluded in the computation of floor space ratio:
- (a) enclosed residential balconies, provided that the Director of Planning first considers all applicable policies and guidelines adopted by Council and approves the design of any balcony enclosure, subject to the following:
 - (i) the total area of all open and enclosed balcony or sundeck exclusions does not exceed eight percent of the residential floor area being provided; and
 - (ii) no more than fifty percent of the excluded balcony floor area may be enclosed.
- 4.8 Site Coverage -- Not Applicable.**
- 4.9 [Deleted -- see Parking By-law.]**
- 4.10 Horizontal Angle of Daylight**
- 4.10.1 Each habitable room must have at least one window on an exterior wall of a building.
- 4.10.2 Each exterior window must be located so that a plane or planes extending from the window and formed by an angle of 50 degrees, or two angles with a sum of 70 degrees, will encounter no obstruction over a distance of 24.0 m.
- 4.10.3 The plane or planes referred to in section 4.10.2 must be measured horizontally from the centre of the bottom of each window.
- 4.10.4 The Director of Planning or Development Permit Board may relax the horizontal angle of daylight requirement, if:
- (a) the Director of Planning or Development Permit Board first considers all the applicable policies and guidelines adopted by Council; and
 - (b) the minimum distance of unobstructed view is not less than 3.7 m.
- 4.10.5 An obstruction referred to in section 4.10.2 means:
- (a) any part of the same building including permitted projections; or
 - (b) the largest building permitted under the zoning on any adjoining site.
- 4.10.6 A habitable room referred to in section 4.10.1 does not mean:
- (a) a bathroom; or
 - (b) a kitchen whose floor area is the lesser of:
 - (i) 10% or less of the total floor area of the dwelling unit, or
 - (ii) 9.3 m².

5 Relaxation of Regulations

- 5.1** The Development Permit Board or the Director of Planning, as the case may be, may relax the maximum height, floor area and location regulations for accessory buildings and accessory uses except that the relaxed height shall not, in any event, exceed the maximum prescribed in section 4.3.1 nor the floor space exceed 33½ percent of the gross floor area of the principal use.
- 5.2** The Development Permit Board or the Director of Planning, as the case may be, may relax the maximum frontage regulation in section 4.2, provided that a pedestrian amenity area such as a courtyard or resting area is provided, or where pedestrian interest is otherwise maintained and provided he first considers all applicable policies and guidelines adopted by Council.

5.3 The Development Permit Board or the Director of Planning, as the case may be, may relax any of the regulations of this Schedule for the following developments:

- (a) dwelling units in conjunction with any of the uses listed in this Schedule and residential units associated with and forming an integral part of an Artist Studio, except that the 10.7 m non-residential setback shall not be relaxed;
- (b) office uses,

provided that in determining the amount of any relaxation that may be permitted, the Development Permit Board or the Director of Planning, as the case may be, shall consider, where applicable, the amount and quality in the provision of:

- (i) landscaping;
- (ii) usable resident open space provided by balconies, decks, roof gardens and courtyards;
- (iii) individual dwelling units and residential units associated with and forming an integral part of an Artist Studio; and
- (iv) light and air available to individual dwelling units and residential units associated with and forming an integral part of an Artist Studio.

5.4 The Development Permit Board or the Director of Planning, as the case may be, may relax the use conditions of sections 2.3.1 and 3.3.1 to permit the outdoor display of retail goods, and may include such other conditions as he deems necessary, having regard to the type of merchandise, the area and location of the display with respect to adjoining sites, the hours of operation and the intent of this Schedule.

- 11.26.2 The site must be within 100 metres of the development project to which the Temporary Sales Office relates.
- 11.26.3 The site must be located on an arterial or major street, which generally have two or more lanes of travel in each direction and are usually designated as truck and bus routes.
- 11.26.4 The site must be more than 800 metres from a commercial district, except that the Director of Planning may permit the use closer to a commercial district if the applicant can demonstrate that suitable commercial vacancy opportunities are not available.
- 11.26.5 The Director of Planning must consider the submission of any advisory group, property owner or tenant and all applicable policies and guidelines adopted by Council.
- 11.26.6 The site must be fully restored to its original condition immediately following the expiration of a development permit.

11.27 Micro dwelling

- 11.27.1 A micro dwelling must be part of a development which has a covenant or housing agreement registered against title restricting its use to secured market rental housing or social housing, for the longer of 60 years or the life of the building.
- 11.27.2 The floor area of a micro dwelling must be at least 29.7 m², except that the Director of Planning or the Development Permit Board may relax the permitted floor area of a micro dwelling to a minimum of 23.2 m² if:
- (a) the Director of Planning or the Development Permit Board first considers all applicable Council policies and guidelines; and
 - (b) the micro dwelling is part of a development which has a covenant or housing agreement registered against title restricting its use to secured market rental housing or social housing, for the longer of 60 years or the life of the building.
- 11.27.3 A micro dwelling is only permitted in:
- (a) the area of the FC-1 District north of National Avenue;
 - (b) the area of the RT-3 and RM-3A districts located north of Venables Street, Malkin Avenue and Prior Street, south of Hastings Street, east of Gore Avenue and west of Clark Drive;
 - (c) the HA-1 and HA-1A districts;
 - (d) the HA-2 district;
 - (e) the Downtown-Eastside Oppenheimer district; and
 - (f) the area of the Downtown district denoted as C2 on Map 1 of the Downtown Official Development Plan.
- 11.27.4 No more than one person shall occupy a micro dwelling.

11.28 Medical Marijuana-related Use

- 11.28.1 Before granting a development permit, the Director of Planning shall:
- (a) notify surrounding property owners and residents and have regard to their opinions;
 - (b) have regard to the liveability of neighbouring residents; and
 - (c) consider all applicable Council policies and guidelines.

- 11.28.2 A Medical Marijuana-related Use is not permitted:
- (a) within 300 metres of the nearest property line of a site containing another Medical Marijuana-related Use;
 - (b) within 300 metres of the nearest property line of a site containing a School - Elementary or Secondary, Community Centre or Neighbourhood House;
 - (c) within the area outlined on Figure 1 below, except for sites with a property line on Hastings Street or Main Street;
 - (d) on any site with a property line on Granville Street between Robson Street and Pacific Boulevard;
 - (e) on any site other than a site adjacent to a street that has a painted center line;
 - (f) in conjunction with any other use; or
 - (g) in conjunction with an automated banking machine.

11.29 Urban Farm - Class A

Notwithstanding anything else in this By-law, Urban Farm - Class A is subject to the following:

- 11.29.1 The planting area must not exceed 325 m² on any single parcel unless the primary use of the parcel is Park or Institutional in which case the Director of Planning may permit an increase in planting area to a maximum of 7 000 m².
- 11.29.2 If two or more parcels are operated jointly as an Urban Farm - Class A, the combined planting area for all parcels must not exceed 7 000 m².
- 11.29.3 No on-site processing of fruits and vegetables, or manufacturing of food products is permitted.
- 11.29.4 No mechanical equipment may be used other than that designed for household use including lawnmowers, rototillers, garden hoses and pruners.
- 11.29.5 No herbicides or pesticides are permitted.
- 11.29.6 No on-site sales are permitted, unless the primary use of the parcel is Institutional.
- 11.29.7 No Urban Farm - Class A operated on a single parcel may generate revenue exceeding \$9,999 in any calendar year, unless the primary use of the parcel is Park or Institutional.
- 11.29.8 If an Urban Farm - Class A is operated, in whole or in part, by a person other than an owner or full-time resident of the parcel, the planting area must be subject to a lease authorizing the operation of the farm.
- 11.29.9 No offensive noise, odour, light, smoke, or vibration or other objectionable effect may be produced.
- 11.29.10 No mechanical equipment may be stored outside.
- 11.29.11 Any development permit or waiver of a development permit for an Urban Form-Class A is time limited to 1 year.

11.30 Urban Farm - Class B

Notwithstanding anything else in this By-law, Urban Farm - Class B is subject to the following:



Planning and Development Services
License and Inspections
Mailing Address: 453 W 12th Avenue
Vancouver, BC, V5Y 1V4

**Development Permit
Preliminary Application (Stage 1):
Retail Dealer - Medical Marijuana-related
Use Application Form**

DE419534

Application location (complete and correct address is important. Complete this section carefully).

Address: 1864 West 4th Avenue Specifics: 1864 N 4th AVE

Floor Level: Ground Suite No: -

Legal Description:

Lot(s): 1 Block(s): 247 District Lot(s): 526 Plan Number(s): 20487

This area must be completed by the person signing the Preliminary Application Form.

Your Name: Cannawide Healthy Wellness Society

Mailing Address: 304-68 Water Street
(if different from above)

City: Vancouver Postal Code: V6B 1A4


E-mail Address: ksnow@cannawide.ca

Phone Number: 604-880-2028

Business Name: Cannawide Dispensary

You are the
 Tenant
 Agent for Tenant
 Non-profit Association
 Cert. No: _____

As owner or owner's agent, I have verified that the information contained within this document and associated applications and plans is correct, and describes a use, a building or a work which complies with all relevant by-laws and statutes. I understand that personal information contained in this form will not be released to the public except as required by law; however, all associated applications and plans will be made publicly available during the development or building application process. I acknowledge that responsibility for by-law compliance rests with the owner and the owner's employees, agents and contractors. I will indemnify and save harmless the City of Vancouver, its officials, employees and agents against all claims, liabilities and expenses of every kind, in respect to anything done or not done pursuant to this application or fact sheet or ensuing permit, including negligence and/or the failure to observe all by-laws, acts or regulations.

SIGNED AT VANCOUVER, BC THIS 20th DAY OF Aug 2015 
Signature of Applicant

Office Use Only

Date of Application: DAY: 21 MONTH: AUG YEAR: 15

Date of Lease: DAY: 1 MONTH: 07 YEAR: 15

Application Received By: P. STEWART


Application requirements include:
 Fee of \$100.00
 Proof of Lease

DE419534

City of Vancouver, Planning and Development Services
 Licensing and Inspections
 453 West 12th Avenue
 Vancouver, British Columbia V5Y 1V4 Canada
 tel: 604.873.7611 fax: 604.873.7100
 website: vancouver.ca

OK

SUBLEASE AGREEMENT

THIS AGREEMENT made the 19th day of August, 2015

BETWEEN:

CANNAWIDE HEALTHY WELLNESS SOCIETY,
having a registered and records office at
304 – 68 Water Street, Vancouver, B.C. V6B 1A4

(hereinafter referred to as the “**Sub-Lessee**”)

OF THE FIRST PART

AND:

1024350 B.C. LTD., having an office at
215 – 8171 Cook Road, Richmond, B.C. V6Y 3T8

(hereinafter referred to as the “**Sub-Lessor**”)

OF THE SECOND PART

WHEREAS by Lease made the 7th day of April, 2015 (herein called the “**Head-Lease**”), Jericho Villa Ltd. leased to the Sub-Lessor the premises at 1864 West 4th Avenue, Lot 1 Block 247, Plan VAP 20487, District Lot 526, New Westminister Land District, EXC PT in EXPT PL 17794 (herein called the “**Premises**”) for a term of 5 years commencing the 1st day of July, 2015.

AND WHEREAS the Sub-Lessor wishes to assign its interest in the Head-Lease to the Sub-Lessee.

AND WHEREAS the Sub-Lessee has agreed with the Sub-Lessor to grant a Sub-Lease to the Sub-Lessee of the Premises on the terms hereinafter stated.

NOW THEREFORE:

1. The Sub-Lessor hereby sub-leases the Premises to the Sub-Lessee from the date hereof, at the rent payable and upon the terms, as outlined in the Head-Lease.
2. The Sub-Lessee covenants with the Sub-Lessor as follows:
 - (a) to pay rent as aforesaid;
 - (b) to pay and discharge all additional sums due under the Head-Lease;
 - (c) to keep the Premises clean and in good and tenable repair;
 - (d) to use the Premises only for the purpose of carrying on business as a medical cannabis dispensary;
 - (e) to permit the Lessor under the Head-Lease and the Sub-Lessor and persons authorized by them at all reasonable times to enter and examine the condition of the

premises and upon notice by either of them to repair in accordance with such notice, and to indemnify the Sub-Lessor against the consequences of any breach of any covenant of this Sub-Lease;

- (f) to permit a credit check of Kelly Snow, a director of the Sub-Lessee, as described in Schedule A attached hereto;
- (g) not to do or permit or suffer to be done any action whereby the Policy of Insurance against damage to the Premises by fire may become void or voidable or the rate of premium thereon may be increased without giving the Sub-Lessor at least one month's notice in writing of such action and if the rate of premium shall be increased by such action, to pay to the Sub-Lessor such increase in premium together with all expenses incurred by the Sub-Lessor in connection with any renewal or replacement of policies occasioned by a breach of this covenant and all payments to be made by the Sub-Lessee pursuant to this covenant shall be deemed to be additional rent; and
- (h) not to mortgage, charge or otherwise encumber its interest in this Sub-Lease.

3. The Sub-Lessor hereby covenants with the Sub-Lessee for quiet enjoyment.


4. The Sub-Lessor hereby covenants to save harmless and keep indemnified the Sub-Lessee from and against all proceedings, damages, costs, claims and expenses arising from any omission by the Sub-Lessor.

5. Proviso for re-entry by the Sub-Lessor on non-payment of rent, whether lawfully demanded or not, or non-performance or non-observance of covenants, or seizure or forfeiture of the said term by any of the causes herein mentioned.

6. This Agreement shall enure to and be binding upon the Parties hereto, their heirs, executors, administrators and assigns or their successors and assigns respectively.

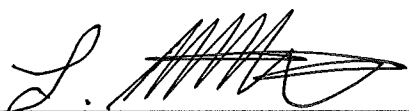
The Parties have executed and delivered this Agreement as of the date set out above.

CANNAWIDE HEALTHY WELLNESS SOCIETY

Per: 

Authorized signatory

1024350 B.C. LTD.,

Per: 

Authorized signatory

THIS INDENTURE MADE the 7th day of April 2015.

BETWEEN:

**JERICO VILLA LTD., c/o Martello Property Services Inc., 200 –
808 West Hastings St., in the City of Vancouver, British Columbia,
V6C 2X4**

(hereinafter called the "Landlord")

OF THE FIRST PART

AND:

**1024350 B.C. LTD.
215 – 8171 Cook Road
Richmond, BC V6Y 3T8**

(hereinafter called the "Tenant")

OF THE SECOND PART

WHEREAS the Landlord has established a Commercial Building upon the Lands in the City of Vancouver, in the Province of British Columbia, more particularly described as at 1864 West 4th Avenue, Lot 1 Block 247, Plan VAP 20487, District Lot 526, New Westminster Land District, EXC PT in EXPT PL 17794 the Tenant has agreed to establish and operate a business in the Commercial Building consistent with the planning of the Landlord for the merchandising unity of the Commercial Building and on the terms and conditions set forth in this Lease;

NOW THIS INDENTURE WITNESSETH:

ARTICLE 1
DEFINITIONS

1.1 In this lease (including this Article 1.1) unless there is something in the context inconsistent therewith, the parties hereto agree that:

- (a) "Architect" means the Architect from time to time named by the Landlord; as to any Architect's certificate provided for in this Lease, the decision of the Architect and his certificate shall bind the parties hereto.
- (b) "Area of the Leased Premises" means the area expressed in square feet as determined and certified by the Architect of the Leased Premises measured from the centre line of all walls separating the Leased Premises from adjacent premises and from the exterior face of store fronts and from the outer surface of outer walls which bound the Leased Premises including outer building walls, walls adjoining corridors or other common facilities and other permanent partitions but if part of a wall or store front or entrance of the Leased Premises is recessed from the lease line shown on Schedule A annexed hereto and forming part hereof, the area of such recess shall for all purposes be part of the Leased Premises.

- (iv) the cost of uniforms and equipment furnished to such personnel and maintenance thereof;
- (v) the expense for gardening and landscaping, policing, supervising traffic control and security, line repainting, rental of signs and equipment and building supplies and the cost of service and supply contracts used or entered into by the Landlord, or its managing agent, in the operation and maintenance of the Common Area, sanitation, periodic sanding, and the removal of snow and ice;
- (vi) the cost of providing lighting including replacement of electric bulbs, starters and ballasts, and the cost of electricity of any signs deemed by the Landlord to be part of the Common Area;
- (vii) the cost of heating, ventilating and air-conditioning being the total without duplication of the expenses incurred by the Landlord for operating, maintaining, repairing, inspecting and replacing the heating and air-conditioning including without duplication the following:
 - the amount expended by the Landlord for fuel, water and electricity for the heating and air-conditioning;
 - wages paid to maintenance and operating personnel for the heating and air-conditioning, including payment for worker's compensation, unemployment insurance, vacation pay, Canada Pension Plan, pensions and other fringe benefits whether statutory or otherwise;
 - the cost of repairs, maintenance and such replacements to the heating and air-conditioning as are necessary for the proper functioning of the system;
- (viii) the cost of providing fire protection and detection systems, and connections;
- (ix) the cost of janitorial, window washing and cleaning services as are reasonably required to keep the Common Area in a clean and tidy condition;
- (x) the cost of maintaining, repairing and replacing the roofs, the roof membranes and exterior walls of Commercial Building including foundations and roofing system of the Commercial Building and any interior walls required to be maintained by the Landlord;
- (xi) all other property management costs, expenses and outlays incurred by the Landlord with respect to the Common Area;
- (xii) costs otherwise contributable to capital account on improvements, machinery or equipment which substantially reduce the Common Area Costs herein;
- (xiii) depreciation of fixtures and equipment which by their nature require periodic replacement or substantial replacement and of items designated by the Landlord as capital expenditures (chargeable by the Landlord in accordance

with sound accounting practice);

(xiv) an administration fee equal to five (5%) percent of the Minimum Rent payable by the Tenant, without taking into account any abatement of Minimum Rent.

(j) **"Cost of Insurance"** means the cost to the Landlord of all premiums on all policies of insurance carried by the Landlord covering loss or damage to the Commercial Building and the Leased Premises and insuring against damage to the same from such Insurable Hazards as the Landlord may from time to time determine and including the cover of "extended coverage" as that expression is understood in the insurance business, and including fire, malicious damage, earthquake, flood and insurance against loss of rental to such limits as the Landlord may from time to time determine.

(k) **"Fixturing Period"** means the period from May 1st 2015 to June 30th, 2015 whereby the Tenant will make ready the premises for the opening of business on July 1st 2015. The Tenant will provide the Landlord with Tenant's insurance pursuant Article 10 of this Lease prior to the Fixturing Period and shall provide the Landlord an executed copy of this Lease prior to the Fixturing period.

(l) **"Gross Leasable Area"** means the aggregate floor area (expressed in square feet) of all buildings located on the property minus the aggregate of that portion of the floor area of the said buildings included in the Common Area and minus administrative and tenant storage areas not exceeding five (5%) percent of such aggregate floor area of all buildings. In all cases the area shall be calculated as being measured from the exterior of exterior walls and the centre line of partition walls.

(m) **"Gross Revenue"** means the sum (without duplication) of:

(i) the selling prices of all goods sold including;

(ii) the rent received or due and receivable from all goods leased;

(iii) the charges for all services rendered; and

(iv) the receipts and receivables from all other business conducted on or from the premises of the Tenant, sub-tenant, concessionaire, licensee, or other person conducting business on or from the Leased Premises without reserve or deduction for uncollected or uncollectible accounts (the full selling price or charge being considered to be received when a sale or lease is made or services are rendered irrespective of when payment is made) and whether the orders no matter how communicated are received on the Leased Premises and executed on or from the Leased Premises or elsewhere or are received elsewhere and executed on or from the Leased Premises and includes but is not limited to;

- all deposits not refunded to customers;
- the selling price of gift certificates;
- receipts from vending and other machines;
- charges to customers in the nature of carrying charges, finance charges and interest; and
- sums and credits received and settlement of claims of loss of or damage to goods and amounts received under policies of insurance or other contracts of indemnity for loss of business, sales or profit;

but does not include:

- (v) an exchange of merchandise between stores of the Tenant where the exchange is made solely for the convenient operation of the Tenant's business and is not the completion of a sale or lease on or from the Leased Premises;
- (vi) returns to suppliers or manufacturers;
- (vii) sales of fixtures, machinery or equipment after their use in the conduct of the Tenant's business; or
- (viii) sums collected from customers for and paid to a taxing authority by the Tenant for retail sales, excise or similar tax imposed by a governmental authority;

but there may be deducted in the computation of Gross Revenue:

- (ix) cash or credit refunds to customers with goods returned but only if the selling price of the goods returned is included in the computation of Gross Revenue;
 - (x) the selling price of goods returned by customers for exchange but only if the selling price of the goods returned and the selling price of the goods delivered to the customers in exchange are included in the computation of Gross revenue; and
 - (xi) that part of the selling price of goods sold satisfied by deposit or a gift certificate but only if the amount of the deposit or gift certificate is included in the computation of Gross Revenue.
- (n) "Insurable Hazards" means fire and such other perils for which insurance is available and which in the opinion of the Landlord should be protected by insurance.
- (o) "Lease Year" means a period of twelve consecutive calendar months during the term ending on the last day of the financial year of the Landlord which on the date of this lease is the last day of December excepting that:

- (i) the first Lease Year during the Term begins on the first day of the Term and ends on the last day of the financial year of the Landlord in which the first day of the Term occurs, and may be a period of less than twelve consecutive calendar months;
 - (ii) the last Lease Year during the Term begins on the first day of the financial year of the Landlord during which the last day of the Term occurs and ends on the last day of the Term and may be a period of less than twelve consecutive months; and
 - (iii) if the Landlord changes its financial year and gives notice to the Tenant of the first and last days of the new financial year, the period between the last day of the old financial year and the last day of the new financial year will be a Lease Year and will be a period of less than twelve consecutive calendar months and the next Lease Year will continue consecutively.
- (p) **"Leased Premises"** means that portion of the Commercial Building hereby demised which is outlined in red on Schedule A and which contains the Tenant's store. The Landlord may make minor variations in the form of the Leased Premises and such minor variations shall not render the lease void or voidable, anything herein contained and any rule of law or equity to the contrary notwithstanding.
- (q) **"Official Opening Date"** means the date when the Landlord officially declared the Commercial Building to be open to the public.
- (r) **"Operating Costs"** means the total without duplication of the expenses incurred by the Landlord for operating, maintaining, repairing and replacing the Commercial Building and facilities, other than the Common Area, and, without limiting the generality of the foregoing, shall include the aggregate of:
- (i) the cost of repairs, maintenance and such replacements as are properly chargeable in accordance with sound accounting practice to operating expenses;
 - (ii) the cost of insurance for the Commercial Building;
 - (iii) fees and other remuneration payable to firms for provision of operation, maintenance, promotion, legal and accounting services and if such services are performed by individuals in the employ of the Landlord, they shall include wages and salaries, payments for worker's compensation, unemployment insurance, vacation pay, Canada Pension Plan, pensions and other fringe benefits whether statutory or otherwise;
 - (iv) the cost of uniforms and equipment furnished to such personnel and maintenance thereof;
 - (v) the cost of heating, ventilating and air-conditioning being the total without duplication of the expenses incurred by the Landlord for operating,

maintaining, repairing, inspecting and replacing the heating and air-conditioning including without duplication the following:

- the amount expended by the Landlord for fuel and water and electricity for the heating and air-conditioning;
 - wages paid to maintenance and operating personnel for the heating and air-conditioning, including payment for worker's compensation, unemployment insurance, vacation pay, Canada Pension Plan, pensions and other fringe benefits whether statutory or otherwise;
 - the cost of repairs, maintenance and such replacements to the heating and air-conditioning as are necessary for the proper functioning of the system;
- (vi) the cost of water and garbage collection;
 - (vii) the cost of providing fire protection and detection systems, communication systems and connections;
 - (viii) the cost of window washing and cleaning services as are reasonably required to keep the Commercial Building in a clean and tidy condition;
 - (ix) the cost of rental of equipment and building supplies and the cost of service and supply contracts used or entered into by the Landlord, or its managing agent, in the operation and maintenance of the Commercial Building;
 - (x) any business taxes, which may be imposed on the Landlord, or its managing agent, by reason of operation of the Commercial Building;
 - (xi) all other property management costs, expenses and outlays incurred by the Landlord with respect to the Commercial Building;
 - (xii) costs otherwise contributable to capital account on improvements, machinery or equipment which substantially reduce Operating Costs herein;
 - (xiii) Landlord's corporation capital taxes payable with respect to the Commercial Building;
 - (xiv) depreciation of fixtures and equipment which by their nature require periodic replacement or substantial replacement and of items designated by the Landlord as capital expenditures (chargeable by the Landlord in accordance with sound accounting practice);
- (s) **"Commercial Building"** means collectively the lands and all buildings, structures, facilities and other improvements erected, or to be erected on the lands first above described and all expansions, alternations, additions or relocations from time to time which may be made.
- (t) **"Term"** means the term of this lease as stipulated in Article 2.1.

- (u) "Other Taxes" means any and all taxes, levies, duties and assessments, imposed on the Tenant, the Landlord or both, or which the Landlord is obliged to collect from the Tenant with any respect to:
- (i) any or all amounts paid or payable by the Landlord for goods and services, repairs, maintenance, real estate taxes, insurance, and all other outlays and expenditures (including capital expenditures) for and in connection with the operation and management of the Commercial Building, including without limiting the generality of the foregoing, repairs, maintenance and replacements in respect of the same;
 - (ii) any and all amounts paid or payable by the Tenant pursuant to the Lease, including Rent and Additional Rent; and
 - (iii) this Lease or services or goods supplied or provided or deemed to have been supplied or provided by the Landlord or which the Landlord is deemed responsible to provide in accordance with the terms of this Lease or the consideration for such goods and services,

whether in each case characterized as goods and services tax, sales tax, multi-stage sales tax, value added tax, consumption tax or any other tax, levy, duty or assessment.

ARTICLE 2 DEMISE AND TERM

2.1 **Demise and Term.** In consideration of the rents, covenants and agreements reserved and contained in this Lease (which rents, covenants and agreements are to be paid, observed and performed by the Tenant) the Landlord does hereby demise and lease unto the Tenant the Leased Premises, TO HAVE AND TO HOLD for and during the Term of **FIVE (5)** years from Commencement Date of the Term unless sooner terminated as hereinafter provided. In addition, the Tenant shall be entitled, for the benefit of the Leased Premises, to enjoy upon the terms and conditions set out in the lease the non-exclusive use in common with others entitled thereto of the Common Area and Facilities subject to the exclusive control and management of the Landlord.

2.2 **Renewal.** The Landlord agrees that if:

- (a) the Tenant duly and regularly pays the rent and other sums payable hereunder and performs each and every one of the covenants, provisos and agreements herein contained and on the part of the Tenant to be paid and performed, and in accordance with the provisions of this Lease;
- (b) the Tenant:
 - (i) has not made any assignment for the benefit of creditors and has not, becoming bankrupt or insolvent, taken the benefit of any act now or hereafter in force for bankrupt or insolvent debtors;

- (ii) has not had any goods and chattels of the Tenant on the Leased Premises at any time during the Term seized or taken in execution or attachment by a creditor of the Tenant,
 - (iii) the Tenant or a Guarantor or indemnifier of this Lease has not made an assignment for the benefit of creditors or a bulk sale from the Leased Premises other than a bulk sale to an assignee or sublessee pursuant to an assignment or sublease which under Article 11 was consented to,
 - (iv) has not had a receiver-manager appointed to control the conduct of the business on or from the Leased Premises,
 - (v) has not had an order made for the winding-up of the Tenant,
 - (vi) without the written consent of the Landlord, has not abandoned or attempted to abandon the Leased Premises or sold or disposed of goods or chattels of the Tenant or removed any of them from the Leased Premises so that there would not in the event of abandonment, sale or disposal be sufficient goods on the Leased Premises subject to distress to satisfy all rental accruing due hereunder,
- (c) no receiver or other person has taken possession or effective control of the assets or business of the Tenant or a substantial portion thereof pursuant to any security or other agreement or by any other means whatsoever;
 - (d) the Tenant has not assigned the Lease or sublet or permitted a change in occupancy of the Leased Premises;
 - (e) there has been no change in the ownership of the majority of the shares of the Tenant and no change in the name under which the business on the Leased Premises is conducted; and
 - (f) the Tenant has continuously operated the type of business in the Leased Premises as expressly permitted to be conducted pursuant to the terms of this Lease,

then the Tenant shall have the option of renewing this Lease by notice in writing given to the Landlord at least six (6) months prior to the expiration of the Term hereby grant **ONE (1) option to renewal term of the Leased Premises for a further term of FIVE (5) years each**, on the terms and conditions in the standard form Lease adopted by the Landlord for the Commercial Building at the time of renewal, save any right of renewal beyond the renewal term and save that the Minimum Rental and the percentage rental rate payable under the renewal term shall be mutually agreed upon between the parties hereto and in the event that the parties cannot agree on the Minimum Rental and the percentage rental rate sixty (60) days before the commencement of such renewal term, then the Minimum Rental and the percentage rental rate (which Minimum Rental and percentage rental rate shall not be less than the Minimum Rental and percentage rental rate respectively payable hereunder) shall be referred for the award and determination at the cost of the Tenant of three arbitrators in accordance with the provisions of the Commercial Arbitration Act of

British Columbia. The Tenant shall pay all costs of the Landlord in granting such renewal.

**ARTICLE 3
SECURITY DEPOSIT**

3.1 The Landlord acknowledges that the Tenant has paid the sum of **\$25,208 + GST** to the Landlord. The Landlord shall apply a portion of the deposit to the Tenant's first month of gross rent and the remainder to be held as true security for the Tenant for the entire duration of the tenancy. The Landlord may reapply the said sum or any part thereof to any amount in default payable by the Tenant, if the Landlord so elects. If all or part of this deposit is reapplied, it shall be replenished by the Tenant forthwith.

**ARTICLE 4
RENTAL**

4.1 The Tenant covenants and agrees to pay to the Landlord, or as the Landlord may in writing direct, in lawful money of Canada, without any set off, compensation or deduction whatsoever, on the days and at the times hereinafter specified, rental and costs on a net basis which shall be the aggregate of the sums specified in clauses (a) and (b) below:

(a) **THE GREATER OF:**

- (i) a minimum rental (hereinafter called the "Minimum Rental") for **2,192 square feet** as follows:

Years	Per Sqft	Per Annum	Per Month
July 1st 2015 to June 30th 2017	\$29.00	\$63,568	\$5,297.33
July 1st 2017 to June 30th 2019	\$30.00	\$65,760	\$5,480.00

payable subject to Article 4.3 in advance in equal monthly instalments on the first day of each month of one-twelfth (1/12) of the Minimum Rental payable during the year in which such monthly instalment is to be paid.

(b) **The aggregate of the following sums, (hereinafter called "Additional Rental"):**

- (i) The Tenant's portion of Common Area Costs;
- (ii) The Tenant's portion of Tax Cost;
- (iii) The Tenant's share of Operating Costs, which share shall be a sum equal to the aggregate of the costs, charges and expenses for such services rendered to the Tenant and other tenants of the Commercial Building multiplied by a fraction, the numerator of which is the Area of the Leased

Premises and the denominator of which is the total area of premises leased and similarly serviced;

- (iv) All other sums of money required under this Lease to be paid to the Landlord by the Tenant whether or not designated "Additional Rent".

4.2 **Tenant's Portion.** The Tenant's portion of the costs described in Article 4.1(b)(ii) shall be that sum which is equal to the aggregate of the said cost multiplied by a fraction, the numerator of which is the Area of the Leased Premises and the denominator of which is the Gross Leasable Area at and for any period of time.

4.3 **Payment of Rental.** The rental and Additional Rental provided for in this Article 4 shall be paid by the Tenant as follows:

- (a) the first monthly instalment of Minimum Rental shall be paid by the Tenant on the Commencement Date of Term. Where the Commencement Date of Term is the first day of a month, such instalment shall be in respect of such month; where the Commencement Date of Term is not the first day of a calendar month rental for the period from the Commencement Date of Term to the first day of the next ensuing calendar month shall be pro-rated on a per diem basis and paid on the first day of such Term; thereafter in either case subsequent monthly instalments shall each be paid in advance on the first day of each ensuing month during the Term;
- (b) the amount of Additional Rental which the Tenant is to pay shall be estimated by the Landlord for such period as the Landlord may determine. The Tenant agrees to pay to the Landlord such amount in monthly instalments in advance during such period on the dates and at the times for payment of Minimum Rental provided for in this lease. At the end of the period for which such estimated payments have been made the Tenant shall be advised of the actual amount required to be paid as Additional Rental and if necessary an adjustment shall thereupon be made between the parties.

4.4 Within sixty (60) days after the end of each Lease Year, the Tenant shall furnish an audited statement in writing signed and verified by the Tenant and certified correct by the auditor of the Tenant (who shall be a chartered accountant or other accredited public accountant acceptable to the Landlord) setting out the amount of the Gross Revenue for such Lease Year. If the Gross Revenue for such Lease Year set out in the audited statement of Gross Revenue for the Lease Year multiplied by the percentage set out in Article 4.1(a)(ii) exceeds the Minimum Rental for such Lease Year, then the audited statement of Gross Revenue shall be accompanied by a payment equal to the amount if any by which the amount of Gross Revenue disclosed by the audited statement multiplied by the percentage set out in Article 4.1(a)(ii) exceeds the total Minimum Rental and Percentage Rental for such Lease Year paid to such time. During each Lease Year the Tenant shall estimate the Percentage Rental payable for each month of such Lease Year based on the Gross Revenue for such month and shall pay to the Landlord such estimated Percentage Rental in arrears on or before the 15th day after the end of each such month. The Tenant shall provide to the Landlord a copy of the calculation of such estimated Percentage Rental in reasonable detail on the 15th day after the end of each such month.

4.5 The Tenant hereby agrees that it will keep within the Leased Premises accounting

records for the business carried on, upon or from the Leased Premises, such records consisting of an accurate record of all sales of merchandise and services and all other revenue derived from the business conducted at, in, from or upon the Leased Premises and including such other supporting or ancillary records and vouchers so as to enable an audit of the statement of Gross Revenue to be conducted; such records shall be available to the inspection and audit of the Landlord and its agents at all reasonable times during ordinary business hours; the Tenant agrees to keep, retain, preserve and make available to the Landlord for at least twelve months after the delivery of the audited statement of Gross Revenue all sales slips, inventory records and other pertinent records. The Tenant acknowledges that, notwithstanding the delivery to the Landlord of an audited statement of Gross Revenue certified to by a chartered accountant or other accredited public accountant and the acceptance of such statement and Percentage Rental, if any, shown to be payable thereby the Landlord may at its instance cause an independent audit to be undertaken. In the event that such audit discloses that the actual Gross Revenue is greater by three (3%) percent or more than that disclosed by the audited statement of Gross Revenue furnished by the Tenant, the Tenant in addition to paying the additional Percentage Rental based on the Gross Revenue disclosed by such independent audit, shall pay the cost of such audit with the next instalment of Minimum Rental.

4.6 Within ninety (90) days after the end of each Lease Year, the Landlord shall furnish to the Tenant a statement of the actual costs, charges and expenses incurred with respect to the Commercial Building during such Lease Year and which the Tenant is wholly or partially responsible to pay, and the amount for which the Tenant is so responsible determined pursuant to this Lease showing in reasonable detail the information relevant and necessary to the exact calculation of these amounts. The Tenant shall have the right to inspect the books and records of the Landlord pertaining to such costs upon reasonable notice at reasonable times. If the amount payable by the Tenant as shown on such statement is greater or less than the Additional Rental paid by the Tenant to the Landlord pursuant to Article 4.1(b) the proper adjustment shall be made within fourteen (14) days after delivery of the statement. Any payments made by the Landlord or made by the Tenant and accepted by the Landlord in respect of any adjustment made hereunder, shall be without prejudice to the right of the Landlord to claim a re-adjustment provided such claim is made within twelve (12) months from the date of delivery of the statement referred to in this Article 4.6.

4.7 The Additional Rental set out in Article 4.1(b) shall be payable by the Tenant as Additional Rent, but shall not be deductible from or taken into account in computing the Percentage Rental payable. All Other Taxes shall be calculated and paid without regard to any input tax credits, set-offs, exceptions, exemptions or deductions to which the Landlord is or may be entitled.

4.8 All rental reserved herein, including, without limiting the generality of the foregoing the Additional Rental shall be deemed to accrue from day to day, and if for any reason it shall become necessary to calculate rental for irregular periods of less than one year an appropriate pro-rata adjustment shall be made on a daily basis in order to compute rental for such irregular period.

4.9 The Tenant hereby waives and renounces any and all existing and future claims, offsets and compensation against any rental or other amounts due hereunder and agrees to pay such rental and other amounts regardless of any claim, offset or compensation which may be asserted by the Tenant or on its behalf.

ARTICLE 5 **PUBLIC UTILITIES, TAXES, ETC.**

5.1 **Public Utilities, Business Tax and Machinery Tax.** In each Lease Year the Tenant will pay as Additional Rent and discharge when they become due and payable all taxes, rates, duties and assessments and other charges that may be levied, rated, charged or assessed against the improvements, equipment and facilities of the Tenant on the Leased Premises and in respect of every business conducted on or from the Leased Premises or in respect of their use or occupancy by the Tenant or the consumption, use or servicing of all utilities thereto (and any and every assignee, sub-tenant, concessionaire, licensee and other person conducting business on or from the Leased Premises), other than such taxes as corporate income profits or excess profits taxes assessed upon the income of the Landlord, including corporate capital tax whether the taxes, rates, duties, assessments and licence fees are charged by a municipal, parliamentary, school or other body. The Tenant will indemnify and keep indemnified the Landlord against payment for all loss, cost, charges and expenses arising from all the taxes, rates, duties, assessments and licence fees referred to and all taxes which may in future be levied in lieu of those taxes and any loss, costs, charges and expenses suffered by the Landlord which may be recovered by the Landlord in the same manner as rent hereby reserved and in arrears. Upon the request of the Landlord the Tenant will deliver promptly to the Landlord for inspection receipts for payments of all taxes, rates, duties, assessments and other charges in respect of all improvements, equipment and facilities of the Tenant on the premises which were due and payable up to one month prior to the request and will deliver to the Landlord if requested by the Landlord evidence satisfactory to the Landlord before the 21st day of January in each year of payments for the preceding calendar year.

ARTICLE 6 **USE OF PREMISES**

6.1 The Leased Premises will not be used for any purpose other than the use of a Cannabis store and accessories without the prior written approval of the Landlord. There is to be NO Cannabis use on site. None of the following businesses or methods of doing business will be conducted on or from the Leased Premises:

- (a) a private auction or a fire, bulk, going-out-of-business, or bankruptcy sale or auction other than a bulk sale to an assignee or a sub-lessee pursuant to an assignment or sub-lease which under Article 11 was consented to or did not require a consent;
- (b) a special sale other than one incidental to the normal routine of the Tenant's

- (c) business upon the Leased Premises with its regular customers; a store for the sale of second hand goods or surplus articles, insurance salvage stock, fire sale or bankruptcy stock;
- (d) wholesale merchandising;
- (e) a business which because of the merchandising methods likely to be used would tend to lower the character of the Commercial Building;
- (f) a mail order business or business for the sale of goods most of the sales of which result from orders from catalogues or an order office therefor;
- (g) an operation in any line of merchandise which makes a practice of unethical or deceptive advertising or selling procedures;
- (h) sleeping apartments or lodging rooms; or
- (i) an unlawful purpose.

6.2 The Tenant will conduct its business and use the whole of the Leased Premises continuously throughout the term in an up-to-date first class and reputable manner befitting the Commercial Building and on the days and during the hours that the Landlord from time to time designates and in a manner, including maintaining an adequate sales force to serve properly all customers and carrying at all times a stock of merchandise of such size, character, quality and price as to assure the transaction of a maximum volume of business on or from the Leased Premises consistent with good business practice. Nothing in this section requires the Tenant to conduct its business during a period prohibited by a law or by-law regulating the hours when the business may be conducted. However, failure to open during the designated mall hours will be considered a "default" under this Lease and the Tenant will be subject to a charge for lost revenue and damages of the Landlord of one hundred and fifty (\$150.00) dollars for each such occurrence. A business practice by the Tenant whether through advertising, selling procedures of otherwise which may harm the business or reputation of the Landlord or reflect unfavourably on the Commercial Building, the Landlord, or tenants of premises in the Commercial Building or which may confuse, mislead or deceive the public will immediately be discontinued by the Tenant at the request of the Landlord. The Landlord will not be prejudiced by or responsible to the Tenant for the non-observance or violation of any lease by another tenant of premises in the Shopping Centre. The Tenant will install and maintain at all times displays of merchandise in display windows of the Leased Premises. The Tenant will keep the display windows and signs on or in the Leased Premises well lit during the hours that the Landlord from time to time designates. The Tenant will devote not less than eighty (80%) percent of the Area of the Leased Premises to selling area.

6.3 The Tenant will warehouse, store or stock only such goods, wares and merchandise as the Tenant intends to offer for sale at retail in the Leased Premises.

6.4 Neither the Tenant nor the Tenant's employees or agents will solicit business in any area of the Common Areas and Facilities or display merchandise outside the Leased Premises without the prior written consent of the Landlord.

6.5 The Tenant will not erect or place or suffer to be erected or placed or maintain any sign of a nature or kind whatsoever either on the roof or the exterior walls of the Leased Premise or on the walls of the mall or elsewhere in the Commercial Building without first obtaining the Landlord's written approval and consent in each instance.

6.6 The Tenant will not install equipment which will exceed or overload the capacity of utility facilities and agrees that if the equipment installed by the Tenant requires additional facilities they will be installed at the Tenant's expense in accordance with plans and specifications approved by the Landlord prior to installation.

6.7 Garbage, Debris. No debris, garbage, trash or refuse shall be placed or left, or be permitted to be placed or left in, on or upon any part of the Commercial Building outside of the Leased Premises, but shall be deposited by the Tenant in areas and at times and in a manner specifically designated by the Landlord from time to time. Should any of the items herein mentioned be of a perishable nature the same shall be kept in a properly refrigerated area provided at its cost by the Tenant. Should there be costs for removal of said items additional to the removal service provided by the City or should the City charge for such service then the Tenant shall pay for such costs.

6.8 Not to Overload Floors. The Tenant will not bring upon the Leased Premises any machinery, equipment or thing that by reason of its weight, size or use in the opinion of the Architect might damage the Leased Premises and will not at any time overload the floors of the Leased Premises. If overloading occurs and damage ensues the Tenant forthwith will repair the damage or pay to the Landlord the cost of making it good.

6.9 Compliance with Laws. At the sole cost and expense of the Tenant, the Leased Premises shall be kept by the Tenant in a clean and sanitary condition in accordance with the laws of the City and in accordance with all directions, rules and regulations of the health officer, fire marshal, building inspector or other proper officers of the City, other agencies having jurisdiction, or the insurers of the Landlord. In the event that the Tenant fails to comply with the foregoing provisions the Landlord may rectify the situation and collect the expense for such work from the Tenant in the same manner as arrears of rent.

6.10 Nuisance. The Tenant will not carry on or perform or suffer or permit to be carried on, performed or suffered on the Leased Premises any business practice or act or engage in any activity which may be deemed a nuisance or a menace or which in any way may injure the Commercial Building or any part thereof.

6.11 Landlord's Special Remedies. The Tenant acknowledges that all its covenants and obligations set forth in Articles 6 and 7 hereof are covenants and obligations undertaken by other tenants of premises in the Commercial Building and are designed for the mutual benefit and protection of all tenants of premises in the Commercial Building and to render the Commercial Building as a whole of maximum attractiveness to the shopping public, and to achieve the maximum volume of business therein, and to achieve the maximum amount of Percentage Rental accruing to the Landlord. In the event that the Tenant shall be in breach of any such covenants or obligations or shall fail to observe or perform any of the same then without prejudice to any other right or remedy which the Landlord may have under the terms of this Lease the Landlord shall have the right to bring action in any Court of competent jurisdiction against the Tenant for a judgment or order directing the Tenant to remedy such breach and to observe and perform such covenant or obligation.

of rights of subrogation against the Landlord and other insureds designated by it against claims by the Tenant as if the Landlord and other insureds designated by it were separately insured and protecting the Tenant against claims by the Landlord and other insureds designated by it as if the Tenant were separately insured, and will contain a clause that the insurer will not cancel or change or refuse to renew the insurance without first giving the Landlord thirty (30) days prior written notice. All policies of insurance will be with insurers acceptable to the Landlord and in form satisfactory to the Landlord, and the Tenant will see that there is delivered to the Landlord copies or certificates of the policies. If the Tenant fails to take out or keep in force any policy of insurance referred to in Articles 10.1 and 10.2 the Landlord may do so and pay the premium, and in that event the Tenant will pay to the Landlord the amount so paid plus ten (10%) percent for overhead as Additional Rent and it will be due and payable on the first day of the month following the payment by the Landlord.

10.4 Landlord's Insurance. The Landlord will take out and keep in force throughout the Term all risks direct insurance on the buildings and improvements comprised in the Commercial Building, but which may exclude foundations and the improvements upon which the Tenant is obliged to take out insurance under Article 10.1, with responsible insurance companies and in an amount such as would be carried by a prudent owner, and the cost of the insurance will be included in either Common Area Cost or Operating Cost, as appropriate, but subject to the deduction of any amounts recovered by the Landlord under Article 10.5. Each insurance policy referred to in this section will contain if available a waiver of right of subrogation against the Tenant to the extent only of that part of a claim against the Tenant in excess of the amount of comprehensive general liability insurance which the Tenant is required to take out and keep in force under Article 10.2.

10.5 Increase in Landlord's Insurance Premiums.

- (a) The Tenant agrees that nothing will be done, omitted to be done, kept, used, sold or offered for sale on or from the Leased Premises that may contravene any of the Landlord's policies insuring any part of the Commercial Building or which will prevent the Landlord from procuring policies with companies acceptable to the Landlord. The Tenant will pay all increases in premiums for all risks direct damage insurance, and broad boiler insurance, including repair or replacement and rental income coverages, and such other insurance as is customary for prudent owners of properties similar to the Commercial Building to carry against loss of or damage to the Commercial Building or liability arising therefrom that may be charged during the Term for insurance carried by the Landlord insuring any part of the Commercial Building, resulting from the type of merchandise sold on or from the Leased Premises or anything done or kept thereon or any use to which they may be put, whether or not the Landlord has consented to them. In determining whether increased premiums are the result of the use of the Leased Premises a schedule issued by the organization making the insurance rate on the Leased Premises showing the various components of the rate will be conclusive evidence of the several items and charges which make up the fire insurance rate on the Leased Premises.
- (b) If the occupancy or use of the Leased Premises causes an increase of premiums for any of the policies insuring the Leased Premises or any part of the Commercial Building above the rate for the least hazardous type of use or occupancy legally permitted in the Leased Premises, the Tenant will pay the amount of the increase. The Tenant also will pay in that event any additional premium for rental income

ARTICLE 7
COMPETITION

7.1 During the Term neither the Tenant directly or indirectly nor a person or one or more of a group of persons who control the Tenant will conduct within the radius of three (3) miles from the nearest boundary of the Commercial Building a business which is similar to or directly or indirectly in competition with the business conducted by the Tenant on or from the leased Premises. Whenever there is a breach of the foregoing covenant the Landlord in addition to any other remedy available to it may require that the Gross Sales arising from the conduct of the competing business be determined in the same manner and upon the same basis as the determination of Gross Revenue mutatis mutandis and that the amount of that Gross Revenue be added to the Gross Revenue for the same period for the purpose of computing Percentage Rent payable under this Lease as though that Gross Revenue had been made on or from the Leased Premises and the Landlord will have all rights of inspection and audit in respect of that Gross Revenue and to receive reports of that Gross Revenue that it has in respect of Gross Revenue received under Article 4. The Tenant covenants that by entering into this Lease it is not breaching a similar covenant binding it to another person.

ARTICLE 8
USE OF COMMON AREAS AND FACILITIES

8.1 **Non-Exclusive Use.** The Tenant, its officers, employees, customers and other invitees in common with others designated by the Landlord or otherwise entitled shall have the use or benefit of the Common Areas for the purposes from time to time permitted, approved or designated by the Landlord subject to the management and control of the Common Areas by the Landlord.

8.2 **Management and Control by the Landlord.** The Landlord has the exclusive right to manage and control the Commercial Building and from time to time to establish, modify, and enforce reasonable rules and regulations regarding the use, maintenance and operation of the Common Areas and the rules and regulations in all respects will be observed and performed by the Tenant, its officers, employees, customers and other invitees. Without limitation the Landlord has the right in the management and control of the Commercial Building to:

- (a) construct, maintain and operate lighting facilities and heating, ventilating and air-conditioning systems;
- (b) supervise and police the Common Areas;
- (c) close off all or part of the Common Areas at such times as in the opinion of the Landlord are advisable including for security and to prevent the accrual of rights therein to any person;
- (d) convey, modify and terminate easements or other rights pertaining to the use and maintenance of all or part of the Commercial Building;
- (e) close off all or part of the Commercial Building for maintenance, repair, reconstruction;
- (f) employ all persons including supervisors and managers required for the

management and control of the Commercial Building; the Tenant acknowledging that the Commercial Building may be managed by the Landlord or such other person or persons as the landlord may from time to time designate in writing;

- (g) use part of the Common Areas from time to time for selling, displaying, decorating, entertainment or structures designed for special features and promotional activity;
- (h) designate the entrances, areas and time where and when loading of goods is to be done;
- (i) supervise and regulate the delivery and shipping of merchandise, supplies and fixtures to and from the premises in such manner as in the sole judgment of the Landlord is necessary for the proper operation of the Leased Premises and the Commercial Building;
- (j) designate the kind of container to be used for garbage and waste and the manner and the times and places at which it will be placed for collection;
- (k) change from time to time the area, level, location, arrangement or use of any part of parts of the Common Areas but not if a change results in a material and permanent interference with access to the Leased Premises by the Tenant's customers;
- (l) do such other acts with reference to the Commercial Building as in the use of good business judgment the Landlord considers advisable with a view to improving the usefulness and convenience of the Common Areas to the Tenant and others entitled to use them.

8.3

Parking.

- (a) The Tenant, its employees, suppliers and other persons not customers having business with the Tenant shall be prohibited from using for parking of vehicles and loading or unloading of vehicles any part of the customer parking areas as such may be designated and changed from time to time by the Landlord. Tenant and employee parking shall be limited to specified times and places, arranged so as to cause minimal interference to business within the Shopping Centre. If requested by the Landlord the Tenant shall supply its employee's automobile licence numbers to the Landlord.
- (b) Should the Tenant, its employees, suppliers and other persons not customers having business with the Tenant park vehicles in areas not allocated for that purpose, the Landlord shall have the right to remove the said trespassing vehicles and the Tenant will save harmless the Landlord from any and all damages arising therefrom and the Tenant will pay the costs of such removal.
- (c) The parking lot shall be kept reasonably clear of snow and in suitable condition for the purposes of the Tenant and other tenants of the Commercial Building, and shall be adequately lighted during such hours as in the Landlord's opinion are required.
- (d) The Landlord reserves the right to impose charges for the use of the parking areas

or other parking facilities. Such rates and charges shall be determined by the Landlord, having regard to the parking facilities provided, but it is expressly agreed that rates and charges may be in an amount sufficient in the judgment of the Landlord to discourage long-term and non-customer parking and secure a sufficient turnover and number of parking spaces to accommodate customers of the Shopping Centre.

ARTICLE 9 REPAIRS

9.1 The Tenant covenants with the Landlord that:

- (a) the Tenant shall at all times during the term or extension thereof repair, maintain and keep the Leased Premises, all equipment and fixtures including without limitation exterior and interior doors, windows, glass, partitions, heating, ventilating, air-conditioning, plumbing and electrical equipment and fixtures within the Leased Premises, (or elsewhere if such equipment and fixtures situate other than in the Leased Premises are provided exclusively for the benefit of the Leased Premises) and any improvements now or hereafter made to the Leased Premises, equipment and fixtures in a good and substantial state of repair to the standards of a first class Commercial Building, reasonable wear and tear and damage by Insurable Hazard only excepted and the Tenant covenants to perform such maintenance, to effect such repairs and replacement and to decorate at its own cost and expense as and when necessary or reasonably required so to do by the Landlord.
- (b) Landlord's Examination of Leased Premises - the Landlord and any employee, servant or agent of the Landlord shall be entitled at any reasonable time during normal business hours and during any emergency, from time to time, to enter and examine the state of maintenance, repair, decoration and order of the Leased Premises, all equipment and fixtures within the Leased Premises and any improvements now or hereafter made to the Leased Premises, and the Landlord may give notice to the Tenant requiring that the Tenant perform such maintenance or effect such repairs, replacements or decorations as may be found necessary from such examination. The failure of the Landlord to give such notice shall not however relieve the Tenant from its obligation to maintain, repair, decorate and keep the Leased Premises and appurtenances in good order and repair as aforesaid and to make such replacements as may be necessary.
- (c) Repairs by Designated Tradesmen - the Tenant shall, when necessary, and whether upon receipt of notice from the Landlord or not, effect and pay for such maintenance, repairs, replacements or decoration as may be the responsibility of the Tenant under Article 9.1(a). In the event that the Tenant fails to comply with the Landlord's request to effect repairs, replacements or maintenance to be undertaken, the provisions of Article 15.5 shall apply.
- (d) If part of the Commercial Building including the Common Areas becomes in disrepair, is damaged or destroyed through negligence of the Tenant or its officers, employees, customers or other invitees, the Tenant shall reimburse the Landlord for

the cost of repairs or replacements promptly upon demand except to the extent that the Landlord is indemnified by insurance.

- (e) Repairs at End of Term - at the end or sooner determination of the Term the Tenant will deliver to the Landlord vacant possession of the Leased Premises in the condition in which the Tenant is required to maintain the Leased Premises.

9.2 Damage or Destruction (Partial). If there is damage to the Leased Premises or damage to the Commercial Building which prevents access to the Leased Premises or the supply of services essential to the Leased Premises and if the damage is such that the Leased Premises is rendered not reasonably capable of use by the Tenant for the conduct of its business for a period of time exceeding ten days:

- (a) unless the damage was caused by the negligence of the Tenant or an assignee, sub-tenant, concessionaire, licensee or other person conducting business on or from the Leased Premises or an officer, employee, customer or other invitee of any of them, the fixed Minimum Rent payable under Article 4.1(a)(i) from the period beginning at the end of ten days after the occurrence of the damage until at least a substantial part of the Leased Premises is again reasonably capable of use and occupancy for the purpose aforesaid will abate in the proportion that the Area of the Leased Premises rendered not reasonably capable of use by the Tenant for the conduct of its business bears to the Area of the Leased Premises but not exceeding the amount of rental income insurance proceeds payable to the Landlord for the period;
- (b) unless this Lease is terminated under Article 9.3 the Landlord or the Tenant or both as the case may be (according to the nature of the damage and the Tenant's obligation to repair under Article 9.1) will repair the damage with all reasonable diligence but any abatement of Minimum Rent to which the Tenant is entitled under this Article 9.2 will not extend beyond the date by which in the reasonable opinion of the Landlord the Tenant should have completed its repairs with all reasonable diligence.

9.3

- (a) Termination in Event of Damage. The Landlord by written notice to the Tenant given within thirty days of the occurrence of damage to the Commercial Building may terminate this Lease:
 - (i) if the Commercial Building is damaged by any cause and in the reasonable opinion of the Landlord either cannot be repaired or rebuilt with reasonable diligence within one hundred and eighty (180) days after the occurrence of the damage, or the cost of repairing or rebuilding it would exceed by more than \$100,000.00 the proceeds of the Landlord's insurance available for the purpose; or
 - (ii) if the Leased Premises are damaged by any cause and the damage is such that the Leased Premises or a substantial part of the Leased Premises is rendered not reasonably capable of use by the Tenant for the conduct of its business and in the reasonable opinion of the Landlord cannot be repaired or rebuilt with reasonable diligence by six months before the end of the Term.

- (b) The Tenant by written notice to the Landlord given within thirty days of the occurrence of the damage may terminate this Lease if the leased premises are damaged by any cause and the damage is such that the Leased Premises or a substantial part of the Leased Premises is rendered not reasonably capable of use by the Tenant for the conduct of its business and in the reasonable opinion of the Landlord cannot be repaired or rebuilt with reasonable diligence by six months before the end of the Term.
- (c) If this Lease is terminated under either Articles 9.3(a) or (b), neither the Landlord nor the Tenant will be bound to repair as provided in Article 9.1 and the Tenant will deliver up possession of the Leased Premises to the Landlord with reasonable speed but in any event within sixty days after the giving of notice of termination and all rent will be apportioned and paid to the date upon which possession is delivered up subject to any abatement to which the Tenant may be entitled under Article 9.3 but otherwise the Landlord or the Tenant or both as the case may be will repair the damage with all reasonable diligence.
- (d) Certificate of Architect - If the Leased Premises or the Commercial Building is damaged and there is doubt as to whether the Leased Premises or the Commercial Building can be repaired or rebuilt within one hundred and eighty (180) days or by six months before the end of Term or as to the cost of repairing or rebuilding the Commercial Building or as to whether the Leased Premises or a substantial part of the Leased Premises is rendered not reasonably capable of use by the Tenant for the conduct of its business or once again has become capable of such use the doubt will be settled by the Architect and his Certificate will be conclusive.

ARTICLE 10 INSURANCE AND INDEMNITY

10.1 Insurance. The Tenant will take out and keep in force throughout the Term and during such other time as the Tenant occupies the Leased Premises or part thereof all risks direct damage insurance upon its merchandise, stock-in-trade, furniture, plate glass, fixtures and improvements and all parts of the Premises which the Tenant is obligated to keep in repair under Article 9.1 to the full replacement value thereof. The Tenant will take out and maintain other insurance in amounts and upon terms reasonable for a prudent tenant to provide as determined by the Landlord and its insurance advisers or its Mortgagee.

10.2 Comprehensive General Liability Insurance. The Tenant will take out and keep in force throughout the Term comprehensive general liability insurance against claims for personal injury, death or property damage or loss arising out of all operations of the Tenant and subtenants, concessionaires, licensees and other persons conducting business on or from the Leased Premises, indemnifying and protecting the Landlord and the Tenant to a minimum limit of \$3,000,000.00.

10.3 The Insureds. Each insurance policy referred to in Articles 10.1 and 10.2 will name the Landlord and any persons, firms or corporations designated by the Landlord as additional named insureds as their interests may appear, will contain if available and as appropriate a waiver

insurance carried by the Landlord for its protection against rent loss through an insured risk. Bills for the increases and additional premiums may be rendered by the Landlord to the Tenant when the Landlord elects, and will be due and payable by the Tenant when rendered, and the amount thereof will be paid as Additional Rent.

10.6 Cancellation of Insurance. If an insurance policy upon part of the Commercial Building is cancelled or threatened by the insurer to be cancelled, or the coverage thereunder reduced or threatened to be reduced by the insurer because of the use and occupation of the Leased Premises, and if the Tenant fails to remedy the condition giving rise to cancellation, threatened cancellation, reduction or threatened reduction of coverage within forty-eight (48) hours after notice thereof by the Landlord, the Landlord may either:

- (a) re-enter the Leased Premises whereupon Article 15.7 will apply, or
- (b) enter the Leased Premises and remedy the condition giving rise to the cancellation or reduction, and the Tenant will pay to the Landlord the cost thereof on demand as Additional Rent, and the Landlord will not be liable for damage or injury caused to property of the Tenant or others located on the Leased Premises as a result of the entry.

10.7 Indemnification of the Landlord. Except to the extent that the loss of life, personal injury or damage to property referred to in this sentence is caused by the negligence of the Landlord or another person for whose negligence the Landlord is responsible in law, the Tenant will indemnify the Landlord and save it harmless from and against any and all claims, actions, damages, liability and expenses in connection with loss of life, personal injury or damage to property arising from any occurrence on the Leased Premises or the occupancy or use of the Leased Premises or occasioned wholly or in part by an act or omission of the Tenant, its officers, employees, agents, customers, contractors or other invitees, licensees or concessionaires or by anyone permitted by the Tenant to be on the Leased Premises. In case the Landlord, without actual (as opposed to merely vicarious) fault on its part, is made a party to litigation begun by or against the Tenant, excepting a bona fide action by the Tenant against the Landlord, the Tenant will protect and hold the Landlord harmless from and will pay all costs, expenses and reasonable legal fees incurred or paid by the Landlord in connection with the litigation. The Tenant will also pay all costs, expenses and reasonable legal fees incurred by the Landlord in enforcing this Lease.

10.8 Loss and Damage. The Landlord is not liable for the death of or injury to the Tenant or others on the Leased Premises, or for the loss of or damage to property of the Tenant or others by theft or otherwise. Without limiting the generality of the foregoing, the Landlord is not liable for death, injury, loss or damage of or to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any part of the Leased Premises or from the pipes, appliances or plumbing works or from the roof, street or sub-surface or from any other place or by dampness or by other cause of any kind. The Landlord is not liable for death, injury, loss or damage caused by other tenants or occupants or other persons on the Leased Premises or in any other part of the Commercial Building, or resulting from construction, alteration or repair. The Tenant agrees that there is no promise, representation or undertaking by or binding upon the Landlord with respect to alterations, remodelling or decoration of or installation of equipment or fixtures in the Leased Premises except such, if any, as is expressly contained or referred to in this Lease, and that unless an express provision provides for completion of the alteration, remodelling, decoration or installation after the Tenant's taking occupancy of the Leased

Premises, the taking of occupancy, subject always to the provision of Article 12.3, constitutes conclusive evidence as against the Tenant that the alterations, remodelling or decoration or installation of equipment or fixtures has been satisfactorily completed. The certificate of the Architect that the Landlord has fulfilled its obligation in respect of the Leased premises binds the parties in any event. All property of the Tenant kept or stored on the Leased Premises will be kept or stored at the risk of the Tenant only and the Tenant will hold the Landlord harmless from all claims arising out of damage to it, including subrogation claims by the Tenant's insurers.

10.9. Indemnification of the Tenant. The Indemnifier shall be responsible for and shall pay to the Landlord all costs and expenses arising out of the enforcement or attempts to enforce the covenants of the Tenant under the Lease and the covenants of the Indemnifier hereunder, including, without limitation, accountants fees and legal fees and costs.

ARTICLE 11 **ASSIGNMENT AND SUBLETTING**

11.1 Consent Required. The Tenant will not, and will not permit a subtenant to, assign this Lease in whole or in part, or sublet all or part of the Leased Premises, or mortgage or encumber this Lease or the Leased Premises or part thereof, and will not permit the occupation or use of all or part thereof by others without the prior written consent of the Landlord in each case, which consent despite any statutory provisions to the contrary, may be arbitrarily or unreasonably withheld for the first three (3) years of the Term after which time it will not be withheld unreasonably except that it may be withheld in any event if the permitted use of the Leased Premises stipulated in Article 6.1 would be changed. It will not be unreasonable for the Landlord to consider the following factors before giving or withholding its consent: any covenants made by the Landlord with another tenant of the Commercial Building, the financial background and status, business history, capability in the Tenant's line of business, the quality of merchandise of and whether Gross Revenue is likely to be reduced by the proposed assignee, sublessee or occupant. The Consent by the Landlord to an assignment or subletting will not constitute a waiver of its consent to a subsequent assignment or subletting. This prohibition against assignment or subletting includes a prohibition against an assignment or subletting by operation of law. If this Lease is assigned, or if all or part of the Leased Premises is sublet or occupied by anybody other than the Tenant, in any case without the consent of the Landlord when required, the Landlord may collect rent from the assignee, subtenant or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, sublease, occupancy or collection will be considered a waiver of this covenant, or the acceptance of the subtenant or occupant as tenant. Despite an assignment the Tenant remains fully liable under this Lease. The Tenant shall pay all costs and expenses of the Landlord with respect to seeking and/or obtaining the Landlord's consent to assignment or subletting.

11.2 Conditions of Consent. Notwithstanding the provisions of Section 11.1, the Tenant may, without the Landlord's consent and provided that the Tenant is not in default of any of its obligations of the Lease, assign or sublet the Lease at any time during the Term to:

- a) a parent, subsidiary, affiliate, division or any other entity controlling, controlled by, or under common control of the Tenant,
- b) a successor entity related to the Tenant by merger, consolidation, reorganization, or government action, or

- c) a licensee or contractor who, under a license or independent contractor agreement between such party and the Tenant, is obligated to carry on business consistent with the provisions of Article 6 above;

provided, however, that in the event that the Lease is assigned under the above circumstances, the Tenant shall be the guarantor and indemnifier of the Assignee's obligations under the Lease.

ARTICLE 12 CONSTRUCTION AND ACCEPTANCE OF PREMISES

12.1 The Tenant acknowledges that it has entered into these presents on the express understanding that the Landlord's work in the Leased Premises is limited to the scope of construction delineated as Landlord's work in Section A of Schedule B and further that the Tenant's work includes the procurement and/or installation at its own expense of those items set forth in Section B of Schedule B which shall be installed and/or procured by the Tenant in accordance with the procedures set out in Schedule B and all such other work as the Tenant may desire to perform in the Leased Premises and to which the Landlord may agree (provided no such work shall be commenced by the Tenant until such time as architectural plans and specifications relating to the said work have been supplied to the Landlord and approved by it in writing). The Tenant covenants and agrees that it will in accordance with the procedures set out in Schedule B fully equip the Leased Premises with all trade equipment, lighting fixtures, furniture, operating equipment, furnishings, fixtures, floor coverings, heating, ventilating and air-conditioning equipment and any other equipment necessary for the proper operation of the Tenant's business and such installation shall be completed without damage to the structure of the Leased Premises or to the heating, ventilating, air-conditioning, sprinklers, plumbing, electrical and other mechanical systems of the Shopping Centre.

12.2 The Tenant covenants and agrees that it will within thirty (30) days after the last to occur of the following dates:

- (a) the date the Landlord approves in writing of the plans and specifications required to be delivered by the Tenant to the Landlord pursuant to Schedule B hereof; or
- (b) the date of delivery of possession of the Leased Premises to the Tenant sufficiently completed to permit the commencement of construction of the Tenant's work;

complete or cause completion of the Tenant's work in accordance with procedure provided in Schedule B. The Tenant will not make any change to the structural elements of the Leased Premises.

12.3 Acceptance of Premises. The Tenant will notify the Landlord of any defects in the Leased Premises that prevent or diminish their use, within thirty (30) days after the date when the Tenant is given occupancy by the Landlord, and failing the giving of notice the Tenant will be considered for all purposes to have accepted the Premises in their then existing condition and the Landlord will not have further obligation to the Tenant for defects or faults excepting:

- (a) latent defects which cannot be discovered on a reasonable examination, and

- (b) defects or faults in structural elements relating to the Leased Premises not caused by the Tenant's acts or omissions.

If a dispute occurs as to whether or not a defect or fault exists, the decision of the Architect will be final and binding upon both parties.

12.4 The opening by the Tenant of its business in the Commercial Building shall constitute an acknowledgement by the Tenant that the Leased Premises are in the condition called for by this Lease and that the Landlord has performed all the Landlord's work with respect thereto.

ARTICLE 13 TENANT'S COVENANTS

13.1 Installation and Changes by the Tenant. All fixtures installed by the Tenant will be of first class quality. The Tenant will not make or cause to be made any change, decoration, addition or improvement or cut or drill into, nail or otherwise attach, secure or install any trade fixture, exterior sign, floor covering, interior or exterior lighting, or mechanical or electrical system or fixture, or plumbing fixture, shade or awning to any part of the Leased Premises or to the exterior of the Leased Premises including the store front or hang from or affix anything to a ceiling without first obtaining the Landlord's written approval. The Tenant will present to the Landlord plans and specifications for the work at the time approval is sought and the work will be done by contractors or other workers or tradesmen approved by the Landlord and in good and workmanlike manner with first class materials. The Tenant will not make any change to the structural elements of the Leased Premises.

13.2 Removal of Installations and Restoration by Tenant. All alterations, decorations, additions and improvements made by the Tenant or made by the Landlord on the Tenant's behalf become on affixation the property of the Landlord. No alteration, decoration, addition or improvement will be removed from the Leased Premises before the end of the Term without prior consent in writing from the Landlord. Upon termination of this Lease the alterations, decorations, additions and fixed improvements excepting Tenant's fixtures will remain the property of the Landlord as part of the reversion, but the Tenant will remove all or some of the alterations, decorations, additions and fixed improvements and restore the Leased Premises if and to the extent requested by the Landlord. Every installation, removal or restoration by the Tenant of its fixtures will be done at the sole expense of the Tenant and the Tenant promptly will make good or reimburse the Landlord the cost of making good all damage to structural elements relating to the Leased Premises or to the heating, ventilating, air-conditioning, plumbing, electrical or other mechanical systems in the Commercial Building caused thereby.

13.3 Tenant to Discharge all Liens. The Tenant will pay promptly all its contractors and materialmen and will not permit, do or cause anything to be done to the Leased Premises during the period of construction and fixturing of the Leased Premises or at any other time which would allow any lien, lis pendens, judgment or certificate of any court or any mortgage, charge or encumbrance of any nature whatsoever to be imposed or remain upon the Leased Premises or the Shopping Centre. In the event of any registration of any lien or other encumbrance the Tenant shall at its own expense cause the same to be discharged within ten (10) days after it is brought to the attention of the Tenant.

13.4 Rules and Regulations. The Tenant covenants that it will abide by any and all

reasonable rules and regulations which may, from time to time, be established by the Landlord for the Shopping Centre. The Landlord shall communicate such rules and regulations to the Tenant in writing and after such communication such rules and regulations shall be deemed to be an integral part of the Lease.

13.5 **Security Interest.** The Tenant covenants that it will not create a security interest in fixtures or goods which may become fixtures, nor permit the filing of a notice pursuant to section 49 of the Personal Property Security Act of British Columbia against this Lease, the Leased Premises or the Commercial Building, provided that the Tenant may create a security interest in fixtures or goods which may become fixtures if each secured party covenants with the Landlord that the secured party's interest is subordinate to the Landlord's. The Tenant further covenants and agrees that all goods becoming affixed to the Leased Premises become the property of the Landlord, but subject to the rights of the Landlord pursuant to Article 13.2. If the Tenant is in default pursuant to the provisions of this Article 13.5 then, in addition to all other rights and remedies available to the Landlord, the Landlord may make any payments to a secured party required to release the secured party's claim, and such payments shall be collectible in the same manner as rent.

ARTICLE 14 **CHANGE IN CONTROL**

14.1 **Corporate Ownership.** If after the date of execution of this Lease shares not listed for sale on a recognized stock exchange in Canada of the Tenant are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment, or cancelled or redeemed, so as to result in a change in the effective voting or other control of the Tenant from the person or persons holding control on the date of execution of this Lease or on the date when the Tenant becomes a corporation if later, or if other steps are taken to accomplish a change of the control, the Tenant promptly will notify the Landlord in writing of the change, which will be considered to be an assignment of this Lease to which Article 11.1 applies; and whether or not the Tenant notifies the Landlord, the Landlord may terminate this Lease within sixty (60) days after the Landlord learns of the change unless the Landlord previously had consented to the change. The Tenant will make available to the Landlord or its lawful representatives all corporate books and records of the Tenant for inspection at all reasonable times, to ascertain to the extent possible whether there had been a change of control.

ARTICLE 15 **DEFAULT OF TENANT**

15.1 **Default.** If default shall be made by the Tenant in the payment of any monies due when the same become due and payable pursuant to any covenant, agreement or condition contained in this Lease interest at the rate of four (4%) percent above the prevailing prime rate then announced by the Landlord's bankers shall be payable on any such monies from the date of default to date of payment and an administration charge of one hundred and fifty (\$150.00) dollars for late payment and no such default shall be considered to be remedied until the interest and administration charge have also been paid.

15.2 If and whenever the rent hereby reserved or any part thereof shall not be paid on the day appointed for payment thereof whether lawfully demanded or not or in case of breach or non-observance or non-performance of any of the covenants, agreements, provisos, conditions or rules

and regulations on the part of the Tenant to be kept, observed or performed or if the Tenant or an agent of the Tenant falsifies a report required to be furnished to the Landlord pursuant to this Lease or in case the Leased Premises shall be vacated or remain unoccupied for five (5) days without the written consent of the Landlord or the Leased Premises shall be used by any person other than the Tenant, the Tenant's permitted assigns or permitted sub-lessees or for any other purpose than that for which the same were let or in case the Term shall be taken in execution or attachment for any cause whatever then and in every such case it shall be lawful for the Landlord at any time thereafter to enter into and upon the Leased Premises or any part thereof in the name of the whole and the same to have again repossessed and enjoy as of its former state anything in this Lease contained to the contrary notwithstanding. The Landlord in addition to any other right or remedy it may have will have the right to remove all persons and property from the Leased Premises and the property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of the Tenant and without service of notice or resort to legal process and without being considered guilty or trespass or becoming liable for loss or damage occasioned thereby.

15.3 Bankruptcy of Tenant:

- (a) The demise in this Lease contained shall be determined immediately and without the Landlord re-entering, upon any proceedings under the Bankruptcy and Insolvency Act of Canada or other statute of similar purport being commenced against the Tenant and not dismissed before an adjudication of bankruptcy the making of a receiving order or an assignment by or against the Tenant the appointment of a trustee or the confirmation of a composition, arrangement or plan or reorganization under the said Act, and all rights of any person claiming under or through the Tenant shall thereupon cease and all rent then due plus rent that would have been due for the next three (3) months had this Lease not determined shall immediately become due and be payable to the Landlord.
- (b) The Tenant agrees that if:
 - (i) the Term or any of the goods and chattels of the Tenant on the Leased Premises at any time during the Term are seized or taken in execution or attachment by a creditor of the Tenant,
 - (ii) the Tenant or a guarantor or indemnifier of this Lease makes an assignment for the benefit of creditors or a bulk sale from the Leased Premises other than a bulk sale to an assignee or sublessee pursuant to an assignment or sublease which under Article 11 was consented to,
 - (iii) a receiver-manager is appointed to control the conduct of the business on or from the Leased Premises,
 - (iv) an order is made for the winding-up of the Tenant,
 - (v) the Tenant, without the written consent of the Landlord, abandons or attempts to abandon the Leased Premises or sells or disposes of goods or chattels of the Tenant or removes any of them from the Leased Premises so that there would not in the event of abandonment, sale or disposal be sufficient goods on the Leased Premises subject to distress to satisfy all rentals accruing due hereunder,

the then current month's rent and the next ensuing three (3) month's Minimum Rental, Additional Rental and Taxes immediately will become due and payable as accelerated rent and the Landlord may re-enter and take possession of the Leased Premises as though the Tenant or the servants of the Tenant or any other occupant of the Leased Premises were holding over after the expiration of the Term and the Lease, at the option of the Landlord, forthwith will become forfeited and determined. In every one of the cases above mentioned the accelerated rent may be recovered by the Landlord in the same manner as rent hereby reserved and in arrears and the option will be considered to have been exercised if the Landlord or its agents give notice to that effect to the Tenant.

15.4 Payment of Landlord's Expenses. If at any time an action is brought for recovery of possession of the Leased Premises, for the recovery of rental or any other amount due under the provisions of this Lease, or because of a breach by act or omission of any covenant herein contained on the part of the Tenant, and a breach is established, the Tenant shall pay to the Landlord all expenses incurred by the Landlord in the enforcement of its rights and remedies hereunder.

15.5 Right of Landlord to Perform Tenant's Covenants. If at any time and so often as the same shall happen the Tenant shall make default in the observance or performance of any covenant herein contained on its part to be observed or performed or shall have failed to make payment of any money hereby undertaken by it to be paid other than as rent to the Landlord, then the Landlord may but shall not be obligated so to do, without waiving or releasing the Tenant from its obligations under this Lease, itself observe and perform the covenant or covenants in respect of which the Tenant has made default or make payment of the moneys the Tenant has failed to pay, and all costs and expenses incurred by the Landlord in the observance or performance of such covenant or covenants including without limitation legal costs as between solicitor and client and any moneys so paid by the Landlord will, with interest thereon from the date of the incurring of such costs or expenses or payment of moneys at a rate equal to two (2%) percent per annum above the prevailing prime rate then being charged by the Landlord's bankers, be a charge on the Leased Premises in favour of the Landlord in priority to the interest of the Tenant hereunder and of any person claiming through or under the Tenant, and all such costs, expenses and moneys and interest thereon shall be payable forthwith by the Tenant to the Landlord and the Tenant covenants to pay the same forthwith on demand by the Landlord and the same shall be treated as rent due and payable to the Landlord hereunder and the Landlord shall have the same rights and remedies and may take the same steps for the recovery thereof as for the recovery of rent in arrears; PROVIDED, and it is expressly understood and agreed that if the Tenant shall fail to make payment of any money demanded of the Tenant and if the Tenant shall in good faith dispute the amount or propriety of any such claim made upon him and if forfeiture of or the registration of a lien against the Commercial Building will not result from nonpayment, then the Landlord shall not pay the same until such dispute has been resolved either by agreement of the Tenant or by the decision of a competent authority, and then only in the event that the Tenant has failed for a space of ten days or more to make payment of the same. The Landlord will not be liable to the Tenant for loss or damage resulting from such action by the Landlord unless caused by the negligence of the Landlord or another person for whose negligence the Landlord is responsible in law.

15.6 Right of Landlord to Seize. The Tenant waives and renounces the benefit of any present or future law taking away or limiting the Landlord's rights against the property of the Tenant

and notwithstanding any such law, the Landlord may seize and sell all the Tenant's goods and property, whether within the Leased Premises or not, and apply the proceeds of such sale upon rental and all other amounts outstanding and upon the costs of the seizure and sale in the same manner as might have been done if such law had not been passed. The Tenant further agrees that if it leaves the Leased Premises leaving any rental or other amounts provided to be paid under this Lease unpaid, the Landlord, in addition to any remedy otherwise provided by law, may seize and sell the goods and chattels of the Tenant at any place to which the Tenant or any other person may have removed them, in the same manner as if such goods and chattels had remained upon the Leased Premises.

15.7 Right to Re-Let. If the Landlord re-enters as herein provided it might either terminate this Lease or it may from time to time without terminating the Tenant's obligations under this Lease make alterations and repairs considered by the Landlord necessary to facilitate a re-letting and re-let the Leased Premises or any part thereof as agent of the Tenant for such term or terms and at such rent or rentals and upon such other terms and conditions as the Landlord in its reasonable discretion considers advisable. Upon each re-letting all rents and other monies received by the Landlord from the re-letting will be applied first to the payment of the indebtedness other than rent due hereunder from the Tenant to the Landlord, second to the payment of costs and expenses of the re-letting including brokerage fees and solicitor's fees and costs of alterations and repairs, and third to the payment of rent due and unpaid hereunder.

15.8 Non-Waiver. No condoning, excusing or overlooking by the Landlord or Tenant of any default, breach or non-observance by the Tenant or the Landlord at any time or times in respect of any covenant, proviso or condition herein contained shall operate as a waiver of the Landlord's or the Tenant's rights hereunder in respect of any continuing or subsequent default, breach or non-observance, or so as to defeat in any way the rights of the Landlord or the Tenant herein in respect of any such continuing or subsequent default or breach, and no waiver shall be inferred from or implied by anything done or omitted by the Landlord or the Tenant save only express waiver in writing.

15.9 Remedies Cumulative. No exercise of a specific right or remedy by the Landlord or by the Tenant precludes it from or prejudices it in exercising another right or pursuing another remedy or maintaining an action to which it may otherwise be entitled either at law or in equity.

ARTICLE 16

MERCHANT'S ASSOCIATION

16.1 INTENTIONALLY DELETED

ARTICLE 17

ACCESS BY LANDLORD

17.1 Right Of Entry. The Landlord and its agents may enter the Leased Premises at all reasonable times to examine them and to show them to a prospective purchaser, lessee or mortgagee. Without limiting the Landlord's rights to make alterations, additions and changes of location under Article 21.3 the Landlord may make alterations, additions and adjustments to and changes of location of the pipes, conduits, wiring, ducts and other installations of any kind in the Leased Premises where necessary to service another part of the Commercial Building, and the Landlord may take all material required therefor on to the Leased Premises without constituting an

eviction of the Tenant in whole or in part, and the rent reserved will not abate while the alterations, additions or changes of location are being made by reason of loss or interruption of the business of the Tenant, or otherwise, and the Landlord will not be liable for damage to property of the Tenant or of others located on the Leased Premises as a result of an entry unless caused by the negligence of the Landlord or another person for whose negligence the Landlord is responsible in law. During the six (6) months prior to the expiration of the Term the Landlord may place upon the Leased Premises the usual notice "For Rent" which the Tenant will permit to remain without interference. If the Tenant is not present to open and permit entry into the Leased Premises when for a proper reason entry is necessary or permissible, the Landlord or its agents may enter by a master key or may forcibly enter without rendering the Landlord or its agents liable therefor and without affecting this Lease. Nothing in this section, however, imposes upon the Landlord an obligation, responsibility or liability for the care, maintenance or repair of the Leased Premises or any part thereof except as specifically provided in this Lease.

17.2 Excavation. If an excavation is made upon the land adjacent to the Leased Premises, or is authorized to be made, the Tenant will give to the person making the excavation permission to enter the Leased Premises, for the purpose of doing work that the Landlord considers necessary to preserve the wall of the building of which the Leased Premises form a part from injury or damage and to support it by proper foundations, without any claim for damages or indemnification against the Landlord or diminution or abatement of rent unless the damages were caused by the negligence of the Landlord or other person for whose negligence the Landlord is responsible in law.

ARTICLE 18

MORTGAGE AND ASSIGNMENT BY LANDLORD, AND REGISTRATION

18.1 Sale or Financing of Shopping Centre. The rights of the Landlord under this Lease may be mortgaged, charged, transferred or assigned to a purchaser or to a mortgagee or trustee for bond holders and in the event of a sale or default by the Landlord under any mortgage, trust deed or trust indenture and the purchaser, mortgagee or trustee, as the case may be, duly entering into possession of the Commercial Building or the Leased Premises, the Tenant agrees to attorn to and become the Tenant of such purchaser, mortgagee or trustee under the terms of this Lease.

18.2 Subordination. This Lease is subject and subordinate of all mortgages, trust deeds or trust indentures which may now or at any time hereafter affect in whole or in part the Leased Premises or the Commercial Building and whether or not any such mortgage, trust deed or trust indenture shall affect only the Leased Premises or the Commercial Building or shall be a blanket mortgage, trust deed or trust indenture affecting other premises as well. This Lease shall also be subject and subordinate to all renewals, modifications, consolidations, replacements and extensions of any such mortgage, trust deed or trust indenture. In confirmation of such subordination and agreement to attorn, the Tenant shall execute promptly upon request by the Landlord any certification, instruments of postponement or attornment or other instruments which, and from time to time are required to give effect hereto. The Tenant hereby irrevocably appoints the Landlord as the Attorney for the Tenant with full power and authority to execute and deliver such instruments for and in the name of the Tenant.

18.3 Offset Statement. Within ten days after request therefor by the Landlord or in the event that upon any sale, assignment, hypothecation or mortgaging of the Leased Premises or the

Commercial Building by the Landlord an offset statement shall be required from the Tenant, the Tenant covenants and agrees with the Landlord to deliver in recordable form a certificate to any proposed mortgagee or purchaser, or to the Landlord, certifying that this Lease is in full force and effect and that there are no defences, offsets or prepayments thereto.

18.4 **Assignment by Landlord.** In the event of the sale or lease by the Landlord of the Commercial Building or a portion thereof containing the Leased Premises or the assignment by the Landlord of this Lease or any interest of the Landlord hereunder, and to the extent that such purchaser, lessee under such lease or assignee has assumed the covenants and obligations of the Landlord hereunder, the Landlord shall, without further written agreement, be freed and relieved of liability upon such covenants and obligations. The Tenant shall, from time to time at the request of the Landlord, certify or acknowledge to any mortgagee, purchaser, lessee, or assignee or proposed mortgagee, purchaser, lessee, or assignee, the status and validity of this Lease, and the state of the Landlord's and Tenant's account hereunder.

18.5 **Registration.** The Tenant covenants and agrees with the Landlord that the Tenant, at the request of the Landlord and at the cost and expense of the Tenant, will cause this Lease to be registered in the appropriate Land Registry Office. Notwithstanding the provisions of Article 18.2 in the even the Landlord requires this Lease to be registered in priority to any mortgage, trust deed or trust indenture which may now or any time hereafter effect in whole or in part the Leased Premises or the Commercial Building and whether or not any such mortgage, trust deed or trust indenture shall affect only the Leased Premises or the Commercial Building or shall be a blanket mortgage, trust deed or trust indenture affecting other premises as well, the Tenant covenants and agrees with the Landlord that the Tenant shall execute promptly upon request by the Landlord any certificate, priority agreement, or other instrument which may from time to time be requested to give effect thereto. The Tenant hereby irrevocably appoints the Landlord as Attorney for the Tenant with full power and authority to execute and deliver such instruments for and in the manner of the Tenant.

ARTICLE 19 OVERHOLDING

19.1 **No Tacit Renewal.** If the Tenant remains in possession of the Leased Premises after the end of the Term and without execution and delivery of a new lease or a written renewal or extension of this Lease, there is not tacit or other renewal of this Lease, and the Tenant will be considered to be occupying the Leased Premises as a tenant from month to month at a monthly rental payable in advance on the first day of each month equal to the sum of:

- (a) twice the monthly instalment of fixed Minimum Rent payable for the last month of the Term, and
- (b) one-sixth (1/6) of the Percentage Rent, if any, for the Lease Year immediately preceding the last Lease Year of this Lease, and
- (c) one-sixth (1/6) of the amount of Additional Rent and charges payable by the Tenant for the year immediately preceding the last Lease Year of this Lease,

and otherwise upon the terms and conditions set forth in this Lease, so far as applicable.

ARTICLE 20
LANDLORD'S COVENANTS

20.1 **Quiet Enjoyment.** That If the Tenant pays the rent hereby reserved and performs the covenants here in on its part contained, it shall and may peaceably possess and enjoy the Leased Premises for the Term hereby granted without any interruption or disturbance from the Landlord or any other person or persons lawfully claiming by, from, or under it.

ARTICLE 21
MISCELLANEOUS

21.1 **Time of the Essence.** Time shall be of the essence of this Lease.

21.2 **Entire Agreement.** The Tenant acknowledges that there have been no representations made by the Landlord which are not set out in the Lease, that the plan attached as Schedule A sets forth the general layout of the Commercial Building, and the adjoining lands and buildings and shall not be deemed to be a representation or agreement of the Landlord that the Commercial Building and the adjoining lands and buildings will be exactly as indicated on such plan.

21.3 **Alterations and Additions.** The Tenant covenants that nothing contained in this Lease shall be construed so as to prevent the Landlord from varying or altering the location or size of parking areas, driveways and sidewalks from time to time or from erecting additional buildings or extending buildings after the Commencement Date of Term and without limiting the foregoing, the Landlord shall have the unrestricted right to construct additional buildings from time to time on the Common Area, add or change any building, or may alter the ingress and egress to the Common Area, change the loading or unloading facilities and service entrances from time to time without in any way being responsible to the Tenant, provided only that the Landlord shall at all times provide reasonable access to the Leased Premises across the Common Area for the Tenant, its servants, agents and customers. Subject to the foregoing and to the obligation of the Landlord to maintain at all times on the Common Area adequate parking facilities, the Landlord may transfer or dispose of portions of the Common Area to the owners of abutting property, or dedicate or transfer to Municipal authorities, lands for road widening and other purposes, and when and so often as the Landlord shall dispose or transfer or dedicate any portion of the Common Area, then the reference herein to "Common Area" shall mean and refer to the portion of the Common Area remaining after any such transfer, disposition or dedication together with any adjacent land which may be acquired by the Landlord on any such transfer, disposition or dedication. If the Landlord should elect to make alterations or additions to the Commercial Building and in the Landlord's reasonable opinion in making such alterations or additions it is necessary to relocate the Leased Premises then the Tenant shall so relocate and the Landlord shall provide to the Tenant, as soon as is reasonably possible, premises of a similar size and the Landlord shall pay to the Tenant the undepreciated value of the Tenant's improvements calculated on a straight line basis over the original term of the Lease for such improvements as were placed in the Leased Premises by the Tenant in accordance with its obligations herein during such term and are not in the nature of the Tenant's trade fixtures. Upon so relocating the new premises shall be deemed to be the Leased Premises and all the terms and conditions contained in this Lease shall apply, mutatis mutandis, to the Tenant's occupation of the said new premises.

21.4 **Governing Law.** The Lease shall be construed and governed by the laws of the Province of British Columbia. Should any provision or provisions of the Lease and or its conditions

be illegal or not enforceable, it or they shall be considered separate and severable from the Lease and its remaining provisions and conditions shall remain in force and be binding upon the parties hereto as though the said provision or provisions or conditions had never been included.

21.5 No Partnership. It is understood and agreed that nothing contained in this Lease nor in any acts of the parties hereby shall be deemed to create any relationship between the parties hereto other than the relationship of the Landlord and Tenant.

21.6 Several Tenants. Should the Tenant or the Guarantor, if any, comprise two or more persons, each of them, and not one or the other or others, shall be jointly and severally bound with the other or others to the Landlord for the due performance of the obligations of the Tenant and Guarantor hereunder. Where required by the context herein the singular shall include the plural, and the masculine gender shall include either the feminine or neuter genders, as the case may be, and vice-versa.

21.7 Accord and Satisfaction. No payment by the Tenant or receipt by the Landlord of a lesser amount than rent herein stipulated will be considered to be other than on account of the earliest stipulated rent nor will an endorsement or statement on a cheque or in a letter accompanying a cheque or payment as rent be considered to be an accord or satisfaction and the Landlord may accept a cheque or payment without prejudice to the Landlord's right to recover the balance of the rent or pursue any other remedy.

21.8 Successors, etc. Subject to the provisions of the Lease respecting assignment by the Tenant, this indenture shall enure to the benefit of and be binding upon the Landlord, its successors and assigns and the heirs, executors, administrators and other personal legal representatives, successors and permitted assigns of the Tenant.

ARTICLE 22 NOTICE

22.1 Notice. Any notice, demand, request, consent or objection required or contemplated to be given or made by any provision of this Lease shall be given or made in writing and either delivered personally or sent by registered mail, postage prepaid, addressed to the Landlord at:

c/o Martello Property Services Inc.
Suite 200 – 808 West Hastings St.
Vancouver, British Columbia, V6C 2X4

or addressed to the Tenant at:
The Leased Premises

or to such other address of which a party may from time to time notify the other in writing. The time of giving or making such notice, demand, request, consent or objection shall be, if delivered, when delivered, and if mailed, then on receipt at such address. If in this Lease two or more persons are named as Tenant or Guarantor, if any, such notice, demand, request, consent or objection shall be given to any one of such persons. All payments required to be made by this Lease shall be addressed as provided for in this Article 22 unless otherwise directed by the Landlord.

ARTICLE 23
INTENT OF LEASE

23.1 **Intent of Lease.** This Lease shall be completely carefree, absolutely triple net to the Landlord such that, without limitation, the Tenant shall pay, without variation, set-off or deduction whatsoever all charges, impositions, costs and expenses of every nature and kind relating to the Leased Premises and the Tenant's share of all charges, impositions, costs and expenses of every kind and nature relating to the Commercial Building, whether or not of a kind currently existing or contemplated by the parties, save as provided in this Lease to the contrary.

IN WITNESS WHEREOF the Landlord has executed this Lease as of the _____ day of _____

JERICO VILLA LTD., The Landlord

Per: _____

Title: _____

C/S

IN WITNESS WHEREOF the Tenant has executed this Lease as of the _____ day of _____

1024350 B.C. LTD. The Tenant

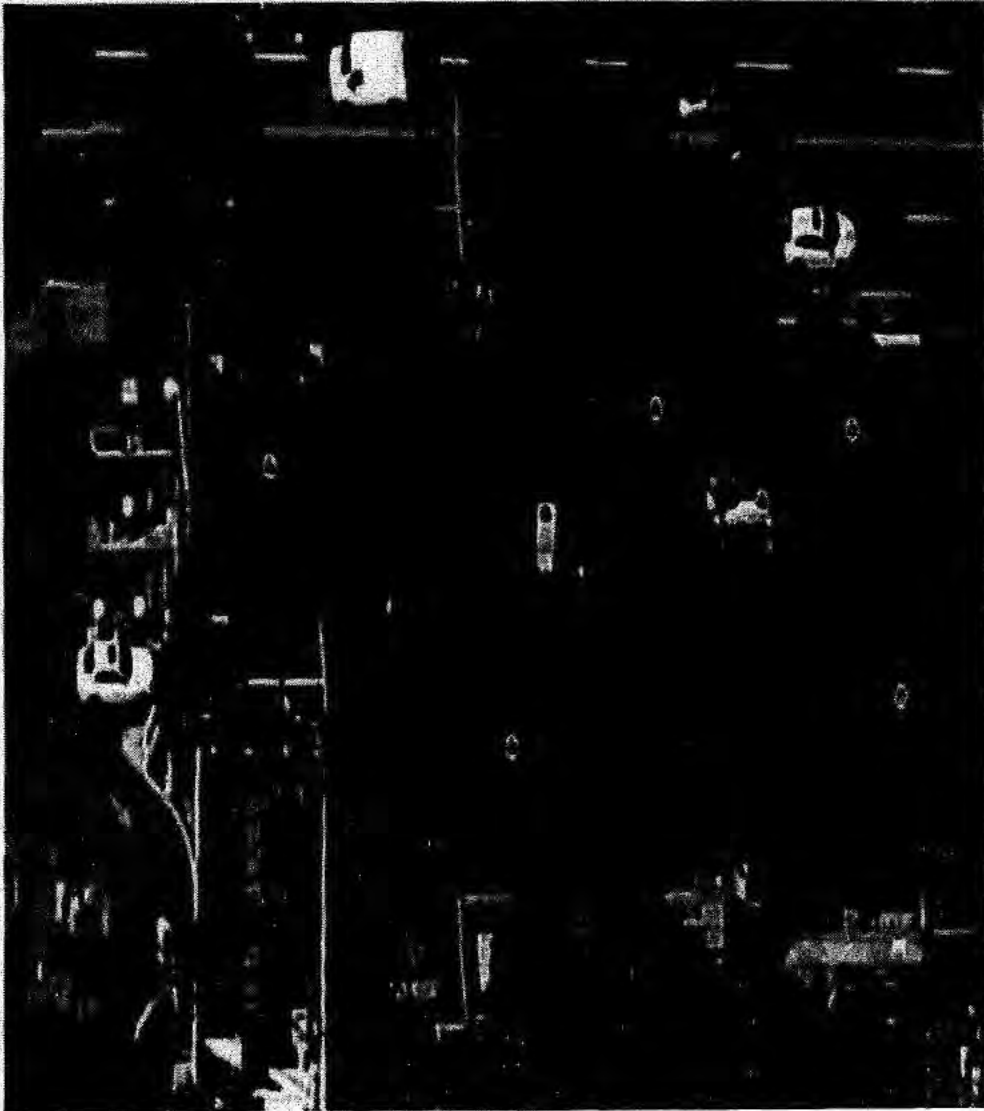
Per: _____

Authorized Signatory

Title: _____

C/S

SCHEDULE A



SCHEDULE B

SECTION A - Description of Landlord Work

All work to be done by the Landlord has been done and the Leased Premises shall be delivered by the Landlord to the Tenant in the condition in which they were found on the date of delivery of the Leased Premises to the Tenant.

SECTION B - Description of Tenant Work

The Tenant shall complete the construction and finishing of the Leased Premises on or before the Commencement Date of the Term, to the standards of premises located in a first class, urban Shopping Centre.

The Tenant will provide, furnish and install, at its expense and conforming to governing building and fire code regulations, all leasehold improvements and all other improvements and all architectural, electrical, mechanical and plumbing work not described in Section A hereof. The Tenant's plans and specifications will be prepared by an architect in sufficient detail to permit the Landlord to review the same. All plans and specifications for the Tenant's work shall include:

- (1) Plans, sections, elevations and details of architectural, electrical, mechanical and plumbing work drawn to scale;
- (2) Drawings, including dimensions, materials, colour and texture specifications (colour chips to be included).

No work shall be undertaken by the Tenant until the Tenant has provided the plans and specifications to the Landlord and obtained the Landlord's consent thereto, and all work undertaken by the Tenant shall be strictly in accordance with the work so described and approved.

The Tenant shall provide to the Landlord "as built" drawings after completion of the Tenant's work and from time to time as the Tenant makes permitted alterations or additions to the Tenant's work.

The Tenant will during construction and merchandising maintain the Leased Premises in a clean and orderly condition, properly removing unused construction materials, merchandise, shipping containers, equipment, all debris and flammable material from the Lands. During the construction, merchandising and subsequent store operation, the Tenant will contain all construction materials, equipment, store fixtures, merchandise, shipping containers and general debris within the Leased Premises.

Temporary electrical power, lighting, water, heat and other services required by the Tenant within the Leased Premises during construction and fixturing of the Leased Premises and all janitorial services and garbage services and other expenses with respect to the occupation of the Leased Premises by the Tenant will be the Tenant's responsibility and at its expense.

The Tenant must provide for and procure all permits, including the Certificate of Occupancy and those for construction work for which the Tenant is responsible. All work must conform with the local, municipal, provincial and federal codes, inspection bureaus and underwriters requirements.

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SCHEDULE A - PLAN OF PREMISES
SCHEDULE B - LANDLORD AND TENANT WORK

OFFER TO LEASE

To: CBRE Limited
1111 West Georgia Street, Suite 600
Vancouver, BC V6E 4M3

Attention: Mr. Michael G. Mylett

1024350 B.C. Ltd. (the "Tenant") hereby offers to enter into a lease with Jericho Villa Ltd. (the "Landlord") upon the following terms and conditions.

1. PREMISES

The Offer is to lease premises having a rentable area of two thousand one hundred ninety two (2,192) square feet, more or less subject to final measurement, as shown outlined in black on the floor plan attached hereto as Schedule "A" (the "Premises"), being part of the Ground floor of the building located at 1884 West 4th Avenue, Vancouver, BC (the "Building").

2. TERM

The term of the lease shall be for five (5) years commencing on July 1, 2015, and ending on June 30, 2020 (the "Term").

3. RENT

The Annual Net Rent, plus applicable taxes, shall be payable monthly in advance on the first day of each month during the Term to the Landlord. The Net Rent shall be based on the Rentable Area of the Leased Premises and measured in a manner prescribed by the Lease as follows:

<u>Lease Year</u>	<u>Annual Rate</u>
1-5	\$28.00 per sq. ft. (net)

4. TENANT AND LANDLORD RESPONSIBILITIES

The Landlord shall be responsible for all structural repairs. The Tenant shall be responsible for business taxes and telecommunications charges, together with the tenant's proportionate share of all property taxes and applicable building operating expenses from the commencement of the Term hereof, as outlined in the lease to be provided. It is understood and agreed that the property taxes and applicable building operating expenses estimated for 2015 are Eighteen Dollars (\$18.00) per square foot.

5. FIXTURING PERIOD

The Tenant shall have possession of the Premises May 1, 2015, until the lease commencement date for the purpose of installing its leasehold improvements. During the sixty (60) day Fixturing Period, the Tenant shall not be responsible for rent, or its proportionate share of property taxes and building operating expenses. Tenant shall be permitted to open at no charge during its rent free fixturing period.

6. TENANT'S WORK

The Tenant shall complete, at its expense, its own leasehold improvements in the Premises, if any excluding Landlord's Work, described above, in accordance with all the provisions in the Lease governing the construction of Leasehold Improvements.

Landlord Initial	Tenant Initial
<i>[Signature]</i>	LA

7. SIGNAGE

The Tenant shall be permitted to install its streetfront signage on the Premises and west wall elevation where previous tenant has signage subject to municipal permits and bylaws and Landlord's approval not to be unreasonably withheld.

8. OPTION TO RENEW

If the Tenant duly and regularly pays rent, plus applicable taxes, and performs each and every of the covenants herein to be performed and observed by the Tenant, the Landlord shall grant to the Tenant, upon six (6) months' written notice prior to the expiration of the term, a renewal lease for a term of five (5) years upon the same terms and conditions contained herein, save as to rent, free rent, Tenant improvement allowance and/or any other inducement granted to the Tenant, plus applicable taxes, and this Option to Renew clause. Rent for said renewal terms shall be agreed upon between the parties and shall be based on the fair market rent for premises of similar size, quality and location at time of renewal, but shall not be less than the rent payable during the last year of the term of the lease. The Landlord and Tenant shall attempt to agree on the fair market rent for the renewal term during the three (3) month period immediately preceding the expiry of the initial term. Failing agreement as to the rent rate, the rate shall be determined by a single arbitrator under the Commercial Arbitration Act of British Columbia.

9. WORKING DRAWINGS

The Tenant shall submit to the Landlord working drawings of any proposed Tenant's improvements to the Premises, which drawings must be approved by the Landlord prior to the commencement of any such work.

10. PERMITS

It is the Tenant's responsibility to secure all the necessary building permits and approvals required by the City of Vancouver for all Tenant improvements. Such permits must be secured and copies provided to the Landlord before any work shall commence on the improvements. The Tenant shall also be responsible for making application for a Certificate of Occupancy as it applies to the improvements. The Tenant shall not take occupancy or partial occupancy of the Premises until a Certificate of Occupancy is secured from the City of Vancouver where applicable.

11. USE

Tenant shall use the Premises for a cannabis store and accessories and for no other purpose except with the prior written approval of the Landlord.

12. ASSIGNMENT

Landlord's consent, which Landlord will not unreasonably withhold, is required for any assignment or subletting, provided however, that Tenant may, without Landlord's consent, sublet or assign the Lease to:

- (a) a parent, subsidiary, affiliate, division or other entity controlling, controlled by, or under common control with Tenant; or
- (b) a successor entity related to Tenant by merger, consolidation, reorganization or government action.

13. LEASE

The Tenant agrees to forthwith execute and deliver to the Landlord the Landlord's standard form of lease which shall be modified to relate to the terms and conditions contained in this Offer to Lease prior to taking occupancy of the Premises.

Landlord Initial	Tenant Initial
	LA

14. LANDLORD'S SUBJECT CONDITION

This Offer, if accepted is subject to the Landlord approving the Tenant's financial worthiness within one (1) week of receiving its credit application. Tenant shall provide such financial information and references as Landlord may require. This subject condition is for the sole benefit of the Landlord and may be waived and/or removed by the Landlord at anytime within the conditional period by delivery of written notice to CBRE Limited, Suite 600, 1111 West Georgia Street, Vancouver, BC. Should the subject condition contained herein not be waived and/or removed within the time period specified, then this Offer shall be considered null and void.

15. TENANT'S SUBJECT CONDITION

This Offer, if accepted, is subject to the Tenant's review of the Landlord's Lease and Tenant satisfaction with subject lease within one week of receiving the Landlord's standard form of lease. This subject condition is for the sole benefit of the Tenant and may be waived and/or removed by the Tenant at any time within the one (1) week conditional period, by delivery of written notice to CBRE Limited. Should the subject condition contained herein not be waived and/or removed within the time period specified, then this Offer shall be considered null and void.

16. DISCLOSURE AND REAL ESTATE COMMISSION

The Landlord and Tenant acknowledges that CBRE Limited is the agent for the Landlord and the real estate commission equivalent to one (1) month's gross rent for completing this transaction shall be the responsibility of the Landlord.

17. NO REPRESENTATIONS

There are no covenants, representations, agreements, warranties or conditions in any way relating to the subject matter of this agreement expressed or implied, collateral or otherwise, except as expressly set forth herein.

18. DEPOSIT

All deposit monies, plus applicable taxes, required by this agreement shall be payable to:

CBRE Limited
1111 West Georgia Street, Suite 600
Vancouver, BC V6E 4M3

The Tenant shall, within forty eight (48) hours of unconditional acceptance of this Offer to Lease by the Landlord, tender a deposit cheque equivalent to the first and last month's gross rent, plus applicable taxes (the "Deposit"). Such Deposit shall be held in trust by CBRE Limited and shall be applied towards payment of rent, and applicable taxes, for the first and last months of the lease term as they become due. The Deposit shall be held in trust by CBRE Limited until the Tenant executes the lease or takes possession of the Premises, whichever occurs first, at such time, the commission plus applicable taxes is then due and payable and may be deducted from the deposit, with any remaining balance to be paid forthwith.

Landlord Initial	Tenant Initial
	LA



19. FACSIMILE ACCEPTANCE

Acceptance of this Offer may be communicated by facsimile transmission or by delivery of such a facsimile without limiting other methods of communicating acceptance available to the parties.

This Offer is open for acceptance until 5:00 p.m., Vancouver time, on the ____ day of March, 2015 and thereafter, if not accepted, shall be null and void.

DATED at Vancouver, BC this 1 day of March, 2015.

1024350 B.C. LTD. (the 'Tenant')

Per:  (Authorized Signatory)  Witness

We hereby accept this Offer and agree to be bound by the terms and conditions contained herein.

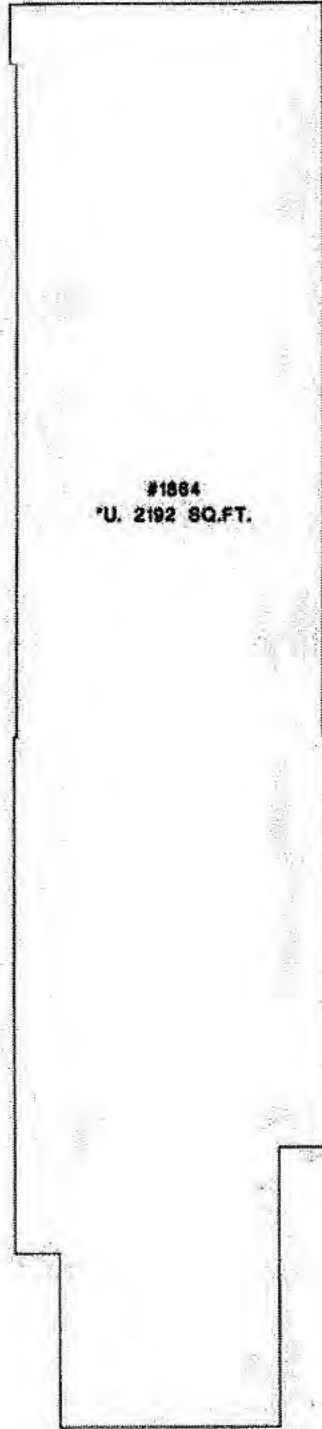
DATED at _____ this ____ day of March, 2015.

JERICO VILLA LTD. (the 'Landlord')

Per: _____ (Authorized Signatory) _____ Witness

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SCHEDULE 'A'
Plan of Demised Premises



EXISTING PROPERTY AT:
1864 W. 4TH AVE.
VANCOUVER, B.C.

***BOMA RETAIL**



Landlord Initial	Tenant Initial



Property Inquiry

[Print Report](#)

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Jul 29, 2015 05:09:33 PM

Vancouver Property Info Report

Ref #: 29-Jul-15

1856 4TH AVE W

Folio: 640-097-50-0000 LTO Number: BB1100061
 PID: 006-596-738 MHR Number:
 Status: Active Property No: 2218261
 Legal: LOT 1 BLOCK 247 PLAN 20487 DISTRICT LOT
 526 NEW WESTMINSTER EXCEPT PLAN 17794.

Taxable Assessment Details

Year	Value Set	Assessment Class		Land	Improvements	Total
2015	GENERAL	MULTIPLE	GROSS	4,726,000	544,500	5,270,500
2015	GENERAL	MULTIPLE	EXEMPT	0	10,000	10,000
2015	GENERAL	MULTIPLE	NET	4,726,000	534,500	5,260,500
2015	SCHOOL	MULTIPLE	GROSS	4,726,000	544,500	5,270,500
2015	SCHOOL	MULTIPLE	EXEMPT	0	10,000	10,000
2015	SCHOOL	MULTIPLE	NET	4,726,000	534,500	5,260,500
2015	TRANSIT	MULTIPLE	GROSS	4,726,000	544,500	5,270,500
2015	TRANSIT	MULTIPLE	EXEMPT	0	10,000	10,000
2015	TRANSIT	MULTIPLE	NET	4,726,000	534,500	5,260,500
2015	HOSPITAL	MULTIPLE	GROSS	4,726,000	544,500	5,270,500
2015	HOSPITAL	MULTIPLE	EXEMPT	0	10,000	10,000
2015	HOSPITAL	MULTIPLE	NET	4,726,000	534,500	5,260,500
2014	GENERAL	MULTIPLE	GROSS	3,858,000	1,039,000	4,897,000
2014	GENERAL	MULTIPLE	EXEMPT	0	10,000	10,000
2014	GENERAL	MULTIPLE	NET	3,858,000	1,029,000	4,887,000
2014	SCHOOL	MULTIPLE	GROSS	3,858,000	1,039,000	4,897,000
2014	SCHOOL	MULTIPLE	EXEMPT	0	10,000	10,000
2014	SCHOOL	MULTIPLE	NET	3,858,000	1,029,000	4,887,000
2014	TRANSIT	MULTIPLE	GROSS	3,858,000	1,039,000	4,897,000
2014	TRANSIT	MULTIPLE	EXEMPT	0	10,000	10,000
2014	TRANSIT	MULTIPLE	NET	3,858,000	1,029,000	4,887,000
2014	HOSPITAL	MULTIPLE	GROSS	3,858,000	1,039,000	4,897,000
2014	HOSPITAL	MULTIPLE	EXEMPT	0	10,000	10,000

2014	HOSPITAL	MULTIPLE	NET	3,858,000	1,029,000	4,887,000
2013	GENERAL	MULTIPLE	GROSS	3,641,000	704,000	4,345,000
2013	GENERAL	MULTIPLE	EXEMPT	0	10,000	10,000
2013	GENERAL	MULTIPLE	NET	3,641,000	694,000	4,335,000
2013	SCHOOL	MULTIPLE	GROSS	3,641,000	704,000	4,345,000
2013	SCHOOL	MULTIPLE	EXEMPT	0	10,000	10,000
2013	SCHOOL	MULTIPLE	NET	3,641,000	694,000	4,335,000
2013	TRANSIT	MULTIPLE	GROSS	3,641,000	704,000	4,345,000
2013	TRANSIT	MULTIPLE	EXEMPT	0	10,000	10,000
2013	TRANSIT	MULTIPLE	NET	3,641,000	694,000	4,335,000
2013	HOSPITAL	MULTIPLE	GROSS	3,641,000	704,000	4,345,000
2013	HOSPITAL	MULTIPLE	EXEMPT	0	10,000	10,000
2013	HOSPITAL	MULTIPLE	NET	3,641,000	694,000	4,335,000

Actual Assessment Details

Year	Exempt Code	Land Class	Land	Improvement Class	Improvements
2015	00-FULLY TAXABLE PROPERTY	1-Res	575,000	1-Res	63,500
2015	00-FULLY TAXABLE PROPERTY	6-Bus/Oth	4,151,000	6-Bus/Oth	481,000
2014	00-FULLY TAXABLE PROPERTY	1-Res	454,000	1-Res	119,000
2014	00-FULLY TAXABLE PROPERTY	6-Bus/Oth	3,404,000	6-Bus/Oth	920,000
2013	00-FULLY TAXABLE PROPERTY	1-Res	432,000	1-Res	76,000
2013	00-FULLY TAXABLE PROPERTY	6-Bus/Oth	3,426,000	6-Bus/Oth	628,000

Property Tax Levies and Assessments Summary

Year	Notice Date	Type	Total Levy	Class	Gross Land	Gross Improvements	Gross Assessment	Net Assessment
2015				6	4,151,000	481,000	4,632,000	4,622,000
2015	May 07, 2015	Reg	75,346.03	1	575,000	63,500	638,500	638,500
2015	Nov 17, 2014	Adv	37,615.00					
2014				6	3,416,333	920,000	4,336,333	4,326,333
2014	May 08, 2014	Reg	75,230.94	1	441,667	119,000	560,667	560,667
2014	Nov 18, 2013	Adv	34,649.00					
2013				6	3,230,000	628,000	3,858,000	3,848,000
2013	May 09, 2013	Reg	69,297.81	1	411,000	76,000	487,000	487,000

Property Tax Levy Details

Year	Levy	Class	Taxable Value	Rate	Prorate Factor	Amount
2015	ANNUAL FIRELINE- (150MM)		1.00	510.00000000	1.0000000	510.00
2015	BC ASSESSMENT	6	4,622,000.00	0.00017318	1.0000000	800.44
2015	BC ASSESSMENT	1	638,500.00	0.00006016	1.0000000	38.41
2015	CITY OF VANCOUVER GENERAL	6	4,622,000.00	0.00734590	1.0000000	33,952.75
2015	CITY OF VANCOUVER GENERAL	1	638,500.00	0.00177001	1.0000000	1,130.15
2015	MUNICIPAL FINANCE AUTHORITY	1	638,500.00	0.00000020	1.0000000	0.13
2015	MUNICIPAL FINANCE AUTHORITY	6	4,622,000.00	0.00000052	1.0000000	2.40
2015	RECYCLING STOPS		1.00	5.00000000	1.0000000	5.00

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2015	RECYCLING UNITS		2.00	13.00000000	1.00000000	26.00
2015	REGIONAL DISTRICT	6	4,622,000.00	0.00013378	1.00000000	618.33
2015	REGIONAL DISTRICT	1	638,500.00	0.00005460	1.00000000	34.86
2015	SCHOOL - NON RESIDENTIAL	6	4,622,000.00	0.00598206	1.00000000	27,649.08
2015	SCHOOL - RESIDENTIAL	1	638,500.00	0.00133008	1.00000000	849.26
2015	TRANSPORTATION AUTHORITY	6	4,622,000.00	0.00140991	1.00000000	6,516.60
2015	TRANSPORTATION AUTHORITY	1	638,500.00	0.00032030	1.00000000	204.51
2015	10230 - BIA - WEST 4TH	6	4,622,000.00	0.00064329		2,973.29
2015	9301-62 - SPEED RAMPS 2006-2020	6	30.60	1.00000000		30.60
2015	9301-62 - SPEED RAMPS 2006-2020	1	4.22	1.00000000		4.22
					Notice Total	75,346.03
2015	ADVANCE LEVY		1.00	0.50000000	1.00000000	37,615.00
					Advance Notice Total	37,615.00
2014	ANNUAL FIRELINE- (150MM)		1.00	500.00000000	1.00000000	500.00
2014	BC ASSESSMENT	6	4,326,333.00	0.00018150	1.00000000	785.23
2014	BC ASSESSMENT	1	560,667.00	0.00006196	1.00000000	34.74
2014	CITY OF VANCOUVER GENERAL	1	560,667.00	0.00184728	1.00000000	1,035.71
2014	CITY OF VANCOUVER GENERAL	6	4,326,333.00	0.00788427	1.00000000	34,109.98
2014	MUNICIPAL FINANCE AUTHORITY	1	560,667.00	0.00000020	1.00000000	0.11
2014	MUNICIPAL FINANCE AUTHORITY	6	4,326,333.00	0.00000052	1.00000000	2.25
2014	RECYCLING STOPS		1.00	7.00000000	1.00000000	7.00
2014	RECYCLING UNITS		2.00	20.00000000	1.00000000	40.00
2014	REGIONAL DISTRICT	6	4,326,333.00	0.00014025	1.00000000	606.77
2014	REGIONAL DISTRICT	1	560,667.00	0.00005725	1.00000000	32.10
2014	SCHOOL - NON RESIDENTIAL	6	4,326,333.00	0.00620492	1.00000000	26,844.55
2014	SCHOOL - RESIDENTIAL	1	560,667.00	0.00137943	1.00000000	773.40
2014	TRANSPORTATION AUTHORITY	1	560,667.00	0.00033182	1.00000000	186.04
2014	TRANSPORTATION AUTHORITY	6	4,326,333.00	0.00150036	1.00000000	6,491.06
2014	10230 - BIA - WEST 4TH	1	560,667.00			0.00
2014	10230 - BIA - WEST 4TH	6	4,326,333.00	0.00086613		3,747.18
2014	9301-62 - SPEED RAMPS 2006-2020	6	30.83	1.00000000		30.83
2014	9301-62 - SPEED RAMPS 2006-2020	1	3.99	1.00000000		3.99
					Notice Total	75,230.94
2014	ADVANCE LEVY		1.00	0.50000000	1.00000000	34,649.00
					Advance Notice Total	34,649.00
2013	ANNUAL FIRELINE- (150MM)		1.00	490.00000000	1.00000000	490.00
2013	BC ASSESSMENT	1	487,000.00	0.00006366	1.00000000	31.00
2013	BC ASSESSMENT	6	3,848,000.00	0.00018709	1.00000000	719.92
2013	CITY OF VANCOUVER GENERAL	1	487,000.00	0.00189502	1.00000000	922.87
2013	CITY OF VANCOUVER GENERAL	6	3,848,000.00	0.00820424	1.00000000	31,569.92
2013	MUNICIPAL FINANCE AUTHORITY	1	487,000.00	0.00000021	1.00000000	0.10
2013	MUNICIPAL FINANCE AUTHORITY	6	3,848,000.00	0.00000052	1.00000000	2.00
2013	RECYCLING STOPS		1.00	8.00000000	1.00000000	8.00
2013	RECYCLING UNITS		2.00	24.00000000	1.00000000	48.00
2013	REGIONAL DISTRICT	6	3,848,000.00	0.00015080	1.00000000	580.28
2013	REGIONAL DISTRICT	1	487,000.00	0.00006155	1.00000000	29.97
2013	SCHOOL - NON RESIDENTIAL	6	3,848,000.00	0.00640458	1.00000000	24,644.82
2013	SCHOOL - RESIDENTIAL	1	487,000.00	0.00143366	1.00000000	698.19

2013	TRANSPORTATION AUTHORITY	1	487,000.00	0.00033937	1.0000000	165.27
2013	TRANSPORTATION AUTHORITY	6	3,848,000.00	0.00153819	1.0000000	5,918.96
2013	10230 - BIA - WEST 4TH	1	487,000.00			0.00
2013	10230 - BIA - WEST 4TH	6	3,848,000.00	0.00089233		3,433.69
2013	9301-62 - SPEED RAMPS 2006-2020	1	3.90	1.00000000		3.90
2013	9301-62 - SPEED RAMPS 2006-2020	6	30.92	1.00000000		30.92
					Notice Total	<u>69,297.81</u>

Local Improvements / Business Improvement Areas

Bylaw: 9301-62 SPEED RAMPS 2006-2020 **Status:** ACTIVE **2015 Payment:** 34.82
Started On: Jul 05, 2006 **Ends On:** Jul 05, 2020
Based On: PARCEL - PARCEL CHARGE OF 34.82000000 UNITS

Bylaw: 10230 BIA - WEST 4TH **Status:** ACTIVE **2015 Payment:** 2,973.29
Started On: Jul 03, 2015 **Ends On:** Jul 03, 2020
Based On: COMP1NET - GENERAL NET ASSESSMENTS

Utility Information

Account No: 5072972 **Billing Category:** ANNUAL ON TAXES **Route:** **Route Sequence:**
Account Type: COMMERCIAL **Roll To Taxes:** No **Units:** 2
Description:

Flat Service Charges	Units	Start Date	Stop Date
RECYCLING UNITS	2	Jan 01, 2011	
RECYCLING STOPS	1	Jan 01, 2011	
ANNUAL FIRELINE- (150MM)	1	Jan 01, 2006	

This account is billed with taxes.

Utility Information

Account No: 5092975 **Billing Category:** METERED BILLING **Route:** 7403 **Route Sequence:** 4129400
Account Type: COMMERCIAL **Roll To Taxes:** Yes **Units:** 9,999,999,999
Description:

Meter Serial No.: 71095001 **Status:** ON **On/Off Date:** Oct 30, 2013
Measure In: UNITS **Installed:** Oct 30, 2013 **Read Method:** RADIO **Shared %:** 100

Meter Serial No.	Service Charges	Units	Start Date	Stop Date
71095001	SEWER METERED	1	Nov 01, 2008	
71095001	WATER METERED	1	Nov 01, 2008	

Flat Service Charges	Units	Start Date	Stop Date
METER CHARGE 17 - 20MM	1	Jan 01, 2009	

Bill Year	Billing Period	Status	Period Charges
2015	Feb 01, 2015 to May 31, 2015	PRINTED	232.78
2015	Oct 01, 2014 to Jan 31, 2015	PRINTED	320.07
2014	Jun 01, 2014 to Sep 30, 2014	PRINTED	848.84
2014	Feb 01, 2014 to May 31, 2014	PRINTED	328.61
2014	Oct 01, 2013 to Jan 31, 2014	PRINTED	511.54

1304 SEYMOUR ST

Folio: 134-614-18-0000 LTO Number: M74793L

PID: 015-495-191 MHR Number:

Status: Active Property No: 1965151

Legal: LOT 3 BLOCK 114 PLAN VAP210 DISTRICT LOT
541 NEW WESTMINSTER

Taxable Assessment Details

Year	Value Set	Assessment Class		Land	Improvements	Total
2015	GENERAL	6-Business/Other	GROSS	2,340,000	14,500	2,354,500
2015	GENERAL	6-Business/Other	EXEMPT	0	10,000	10,000
2015	GENERAL	6-Business/Other	NET	2,340,000	4,500	2,344,500
2015	SCHOOL	6-Business/Other	GROSS	2,340,000	14,500	2,354,500
2015	SCHOOL	6-Business/Other	EXEMPT	0	10,000	10,000
2015	SCHOOL	6-Business/Other	NET	2,340,000	4,500	2,344,500
2015	TRANSIT	6-Business/Other	GROSS	2,340,000	14,500	2,354,500
2015	TRANSIT	6-Business/Other	EXEMPT	0	10,000	10,000
2015	TRANSIT	6-Business/Other	NET	2,340,000	4,500	2,344,500
2015	HOSPITAL	6-Business/Other	GROSS	2,340,000	14,500	2,354,500
2015	HOSPITAL	6-Business/Other	EXEMPT	0	10,000	10,000
2015	HOSPITAL	6-Business/Other	NET	2,340,000	4,500	2,344,500
2014	GENERAL	6-Business/Other	GROSS	1,970,000	14,500	1,984,500
2014	GENERAL	6-Business/Other	EXEMPT	0	10,000	10,000
2014	GENERAL	6-Business/Other	NET	1,970,000	4,500	1,974,500
2014	SCHOOL	6-Business/Other	GROSS	1,970,000	14,500	1,984,500
2014	SCHOOL	6-Business/Other	EXEMPT	0	10,000	10,000
2014	SCHOOL	6-Business/Other	NET	1,970,000	4,500	1,974,500
2014	TRANSIT	6-Business/Other	GROSS	1,970,000	14,500	1,984,500
2014	TRANSIT	6-Business/Other	EXEMPT	0	10,000	10,000
2014	TRANSIT	6-Business/Other	NET	1,970,000	4,500	1,974,500
2014	HOSPITAL	6-Business/Other	GROSS	1,970,000	14,500	1,984,500
2014	HOSPITAL	6-Business/Other	EXEMPT	0	10,000	10,000
2014	HOSPITAL	6-Business/Other	NET	1,970,000	4,500	1,974,500
2013	GENERAL	6-Business/Other	GROSS	1,895,000	14,500	1,909,500
2013	GENERAL	6-Business/Other	EXEMPT	0	10,000	10,000
2013	GENERAL	6-Business/Other	NET	1,895,000	4,500	1,899,500
2013	SCHOOL	6-Business/Other	GROSS	1,895,000	14,500	1,909,500
2013	SCHOOL	6-Business/Other	EXEMPT	0	10,000	10,000
2013	SCHOOL	6-Business/Other	NET	1,895,000	4,500	1,899,500
2013	TRANSIT	6-Business/Other	GROSS	1,895,000	14,500	1,909,500
2013	TRANSIT	6-Business/Other	EXEMPT	0	10,000	10,000
2013	TRANSIT	6-Business/Other	NET	1,895,000	4,500	1,899,500
2013	HOSPITAL	6-Business/Other	GROSS	1,895,000	14,500	1,909,500
2013	HOSPITAL	6-Business/Other	EXEMPT	0	10,000	10,000
2013	HOSPITAL	6-Business/Other	NET	1,895,000	4,500	1,899,500

Actual Assessment Details

Year	Exempt Code	Land Class	Land	Improvement Class	Improvements
2015	00-FULLY TAXABLE PROPERTY	6-Bus/Oth	2,340,000	6-Bus/Oth	14,500
2014	00-FULLY TAXABLE PROPERTY	6-Bus/Oth	1,845,000	6-Bus/Oth	14,500
2013	00-FULLY TAXABLE PROPERTY	6-Bus/Oth	1,845,000	6-Bus/Oth	14,500

Property Tax Levies and Assessments Summary

Year	Notice Date	Type	Total Levy	Class	Gross Land	Gross Improvements	Gross Assessment	Net Assessment
2015	May 07, 2015	Reg	35,674.68	6	2,340,000	14,500	2,354,500	2,344,500
2015	Nov 17, 2014	Adv	15,887.00					
2014	May 08, 2014	Reg	31,773.75	6	1,970,000	14,500	1,984,500	1,974,500
2014	Nov 18, 2013	Adv	15,833.00					
2013	May 09, 2013	Reg	31,666.83	6	1,895,000	14,500	1,909,500	1,899,500

Property Tax Levy Details

Year	Levy	Class	Taxable Value	Rate	Prorate Factor	Amount
2015	BC ASSESSMENT	6	2,344,500.00	0.00017318	1.0000000	406.02
2015	CITY OF VANCOUVER GENERAL	6	2,344,500.00	0.00734590	1.0000000	17,222.46
2015	MUNICIPAL FINANCE AUTHORITY	6	2,344,500.00	0.00000052	1.0000000	1.22
2015	REGIONAL DISTRICT	6	2,344,500.00	0.00013378	1.0000000	313.65
2015	SCHOOL - NON RESIDENTIAL	6	2,344,500.00	0.00598206	1.0000000	14,024.94
2015	TRANSPORTATION AUTHORITY	6	2,344,500.00	0.00140991	1.0000000	3,305.53
2015	10001 - BIA - DOWNTOWN VANCOUVER	6	2,344,500.00	0.00017098		400.86
					Notice Total	35,674.68
2015	ADVANCE LEVY		1.00	0.50000000	1.0000000	15,887.00
					Advance Notice Total	15,887.00
2014	BC ASSESSMENT	6	1,974,500.00	0.00018150	1.0000000	358.37
2014	CITY OF VANCOUVER GENERAL	6	1,974,500.00	0.00788427	1.0000000	15,567.49
2014	MUNICIPAL FINANCE AUTHORITY	6	1,974,500.00	0.00000052	1.0000000	1.03
2014	REGIONAL DISTRICT	6	1,974,500.00	0.00014025	1.0000000	276.92
2014	SCHOOL - NON RESIDENTIAL	6	1,974,500.00	0.00620492	1.0000000	12,251.61
2014	TRANSPORTATION AUTHORITY	6	1,974,500.00	0.00150036	1.0000000	2,962.46
2014	10001 - BIA - DOWNTOWN VANCOUVER	6	1,974,500.00	0.00018023		355.87
					Notice Total	31,773.75
2014	ADVANCE LEVY		1.00	0.50000000	1.0000000	15,833.00
					Advance Notice Total	15,833.00
2013	BC ASSESSMENT	6	1,899,500.00	0.00018709	1.0000000	355.38
2013	CITY OF VANCOUVER GENERAL	6	1,899,500.00	0.00820424	1.0000000	15,583.95
2013	MUNICIPAL FINANCE AUTHORITY	6	1,899,500.00	0.00000052	1.0000000	0.99
2013	REGIONAL DISTRICT	6	1,899,500.00	0.00015080	1.0000000	286.44
2013	SCHOOL - NON RESIDENTIAL	6	1,899,500.00	0.00640458	1.0000000	12,165.50
2013	TRANSPORTATION AUTHORITY	6	1,899,500.00	0.00153819	1.0000000	2,921.79

2013 10001 - BIA - DOWNTOWN VANCOUVER 6 1,899,500.00 0.00018572 352.78
 Notice Total 31,666.83

Local Improvements / Business Improvement Areas

Bylaw: 10001 BIA - DOWNTOWN VANCOUVER Status: ACTIVE 2015 Payment: 400.86
 Started On: Jul 05, 2011 Ends On: Jul 05, 2020
 Based On: COMP1NET - GENERAL NET ASSESSMENTS

Utility Information

Account No: 5007151 Billing Category: METERED BILLING Route: 7105 Route Sequence: 1254400
 Account Type: COMMERCIAL Roll To Taxes: Yes Units: 9,999,999,999
 Description:

Meter Serial No.: 48956216 Status: ON On/Off Date: Jan 01, 1960
 Measure In: UNITS Installed: Jan 01, 1960 Read Method: RADIO Shared %: 100

Meter Serial No.	Service Charges	Units	Start Date	Stop Date
48956216	SEWER METERED	1	Oct 01, 2008	
48956216	WATER METERED	1	Oct 01, 2008	

Flat Service Charges	Units	Start Date	Stop Date
METER CHARGE 17 - 20MM	1	Jan 01, 2009	

Bill Year	Billing Period	Status	Period Charges
2015	Feb 01, 2015 to May 31, 2015	PRINTED	157.86
2015	Oct 01, 2014 to Jan 31, 2015	PRINTED	158.51
2014	Jun 01, 2014 to Sep 30, 2014	PRINTED	237.51
2014	Feb 01, 2014 to May 31, 2014	PRINTED	38.44
2014	Oct 01, 2013 to Jan 31, 2014	PRINTED	46.49

Please Note: This information has been generated from our computerized records and to the best of our knowledge is complete and up to date. However, the City of Vancouver assumes no responsibility should any information be inaccurate or misleading as a result of negligence or otherwise. The City shall not be estopped from enforcing its rights to the fullest, as though this information had not been relied upon.

May 19, 2016

Matthew Fraser
1712 W. 4th Avenue
Vancouver, BC
V6J 1M1

Dear Mr. Fraser:

RE: Development Application Number DE419557

In October 2015, you were advised that your preliminary application for a Medical Marijuana-Related Use at 1712 W 4th Avenue is within 300 metres of at least one other application and must be evaluated using the four declustering criteria defined in the City's Licence Bylaw.

The evaluation for your application was completed and received the same number of demerits as at least one other application in your cluster. Accordingly, your cluster was decided by random draw. Your application was the successful selection at the draw, and now you may proceed in the permits and licensing process at your current location.

The next step for your application is to submit a full development permit application. Please use the attached checklist to prepare application, and submit the application and fee to the Development and Building Services Centre. For more information about the process, and for sample application materials, please visit vancouver.ca/medical-marijuana-business. The time required to complete the development permit process varies, based on the complexity of the application.

You must submit your development permit application by **4:30 pm, Friday, June 17, 2016** for your application to remain active. The time required to complete the development permit process varies, based on the complexity of the application.

You may continue to operate your business provided you meet the application deadlines within this letter. During this time, you must demonstrate exemplary business practices that include at a minimum:

- No smoking, dabbing, vaping, vapourizing or use of e-cigarettes on site.
- No display or sale of edibles other than oils, tinctures or capsules.
- No minors on site, or advertising to minors.
- No neighbourhood disturbance.

DOC/2016/156837

City of Vancouver,
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7100
website: vancouver.ca



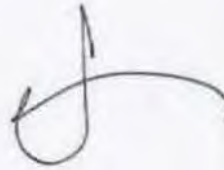
The City will be increasing inspections of medical marijuana-related businesses and any found in violation of the above practices will be subject to enforcement action and possible closure.

If you have any questions, or to book an appointment for application intake, please contact John Freeman at 604.873.6076, john.freeman@vancouver.ca

Yours truly,



Andreea Toma, P.Eng.
Chief Licence Inspector
Director, Licensing, Property Use Inspections
& Animal Services



John Greer
Assistant Director
Development Review Branch

AT/

May 19, 2016

Matthew Fraser
1712 W. 4th Avenue
Vancouver, BC
V6J 1M1

Dear Mr. Fraser:

RE: Development Application Number DE419557

In October 2015, you were advised that your preliminary application for a Medical Marijuana-Related Use at 1712 West 4th Avenue is within 300 metres of at least one other application and must be evaluated using the four declustering criteria defined in the City's Licence Bylaw.

The evaluation for your application was completed and received the same number of demerits as at least one other application in your cluster. Accordingly, your cluster was decided by random draw. Your application was the successful selection at the draw, and now you may proceed in the permits and licensing process at your current location.

The next step for your application is to submit a full development permit application. Please use the attached checklist to prepare application, and submit the application and fee to the Development and Building Services Centre. For more information about the process, and for sample application materials, please visit vancouver.ca/medical-marijuana-business. The time required to complete the development permit process varies, based on the complexity of the application.

You must submit your development permit application by **4:30 pm, Friday, June 17, 2016** for your application to remain active. The time required to complete the development permit process varies, based on the complexity of the application.

You may continue to operate your business provided you meet the application deadlines within this letter. During this time, you must demonstrate exemplary business practices that include at a minimum:

- No smoking, dabbing, vaping, vapourizing or use of e-cigarettes on site.
- No display or sale of edibles other than oils, tinctures or capsules.
- No minors on site, or advertising to minors.
- No neighbourhood disturbance.

DOC/2016/157118

City of Vancouver,
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7100
website: vancouver.ca



EXHIBIT 2016-01-19

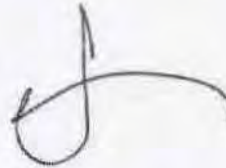
The City will be increasing inspections of medical marijuana-related businesses and any found in violation of the above practices will be subject to enforcement action and possible closure.

If you have any questions, or to book an appointment for application intake, please contact John Freeman at 604.873.6076, john.freeman@vancouver.ca

Yours truly,



Andreea Toma, P.Eng.
Chief Licence Inspector
Director, Licensing, Property Use Inspections
& Animal Services



John Greer
Assistant Director
Development Review Branch

AT/

May 19, 2016

Matthew Fraser
1712 W. 4th Avenue
Vancouver, BC
V6J 1M1

Dear Mr. Fraser:

RE: Development Application Number DE419557

In October 2015, you were advised that your preliminary application for a Medical Marijuana-Related Use at 1712 West 4th Avenue is within 300 metres of at least one other application and must be evaluated using the four declustering criteria defined in the City's Licence Bylaw.

The evaluation for your application was completed and received the same number of demerits as at least one other application in your cluster. Accordingly, your cluster was decided by random draw. Your application was the successful selection at the draw, and now you may proceed in the permits and licensing process at your current location.

The next step for your application is to submit a full development permit application. Please use the attached checklist to prepare application, and submit the application and fee to the Development and Building Services Centre. For more information about the process, and for sample application materials, please visit vancouver.ca/medical-marijuana-business. The time required to complete the development permit process varies, based on the complexity of the application.

You must submit your development permit application by **4:30 pm, Friday, June 17, 2016** for your application to remain active. The time required to complete the development permit process varies, based on the complexity of the application.

You may continue to operate your business provided you meet the application deadlines within this letter. During this time, you must demonstrate exemplary business practices that include at a minimum:

- No smoking, dabbing, vaping, vapourizing or use of e-cigarettes on site.
- No display or sale of edibles other than oils, tinctures or capsules.
- No minors on site, or advertising to minors.
- No neighbourhood disturbance.

DOC/2016/157118

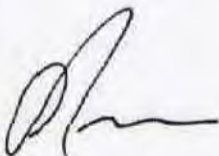
City of Vancouver,
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
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The City will be increasing inspections of medical marijuana-related businesses and any found in violation of the above practices will be subject to enforcement action and possible closure.

If you have any questions, or to book an appointment for application intake, please contact John Freeman at 604.873.6076, john.freeman@vancouver.ca

Yours truly,



Andreea Toma, P.Eng.
Chief Licence Inspector
Director, Licensing, Property Use Inspections
& Animal Services



John Greer
Assistant Director
Development Review Branch

AT/

May 4, 2016

Matthew Fraser
1290 Three Mile Road
Penticton, BC
V2A 8T7

Dear Mr. Fraser:

RE: Development Application Number DE419557 - 1712 W. 4th Avenue

Your preliminary application for a medical marijuana-related retail use (MMRU) at 1712 W. 4th Avenue has been reviewed and is within 300 metres of four other preliminary MMRU applications.

The License By-law states that in such cases, the Chief Licence Inspector will use the four criteria set out in the License By-law to evaluate and assign points to each location in a cluster. Only the application with the fewest points will be eligible to apply for a full development permit and business licence at that location; the others must close. In the event of a tie, the cluster will be decided based on a random draw.

The evaluation for your application is complete and it received the same number of demerits as the applications for #206 -1540 W. 2nd Avenue, 1812 W. 4th Avenue, 1864 W. 4th Avenue and 1952 W. 4th Avenue. Accordingly, your cluster will be decided by random draw. The draw details are as follows:

Date: Wednesday, May 11, 2016

Time: 3:30pm

Location: Development Services and Building Centre, 515 W. 10th Avenue

As the applicant, you are invited to observe the random draw and you may bring one additional attendee. Please bring this letter and photo identification and check in with Security on the ground floor of the building. If you cannot attend in person, you may send one alternate in your place. Your alternate must present this letter in order to attend the draw.

If you have questions regarding the draw or your application, please contact John Freeman at 604.873.6076.

City of Vancouver, Community Services
Licensing, Property Use Inspections and Animal Services
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7100
website: vancouver.ca



Yours truly,

A handwritten signature in black ink, appearing to be 'Andreea Toma', written in a cursive style.

Andreea Toma, P.Eng.
Chief Licence Inspector

AT/mv

January 22, 2016

Mr. Matthew Fraser
Apollo Medical Society
1290 Three Mile Road
Penticton, BC V2A 8T7

Dear Mr. Fraser:

RE: Development Application Number DE419557

Your preliminary Development Permit application for a medical marijuana-related retail use (MMRU) at 1710 West 4th Avenue (specific address: 1712 West 4th Avenue) has been reviewed and is within 300 metres of at least one other preliminary MMRU application. City regulations require that medical marijuana-related retail uses be located at least 300 metres apart.

Clustered applications such as yours are evaluated against four declustering criteria set out in the Business License Bylaw (See Table 1 below). In each cluster, only the application with the fewest demerits is allowed to continue in the permits and licensing process at that location; the other application(s) must close.

Table 1: Medical Marijuana-related Use - Declustering Criteria

Declustering Criteria	Scoring
1. Is the applicant a Compassion Club, as defined by the License Bylaw?	No = +10 demerits
2. Has the City received more than one substantive complaint, from more than one complainant, in the previous 12 months?	Yes = +2 demerits
3. Has work been done on the business premises without a Building Permit?	Yes = +3 demerits
4. Does the applicant have a history of poor business practices (e.g. bylaw infractions, VPD enforcement action)?	Yes = +4 demerits

Declustering Evaluation Results For Your Site

Declustering evaluations for the six preliminary applications in your cluster are now complete. Your application received 4 demerits for history of poor business practices because you opened your retail business before you obtained a business licence. See attached for your declustering evaluation summary.

City of Vancouver, Community Services
Licensing, Property Use Inspections and Animal Services
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7100
website: vancouver.ca



Another application in your cluster received fewer demerits and will move forward in the permits and licensing process at their current location. Your preliminary Development Permit application will be refused.

Next Steps For Your Application

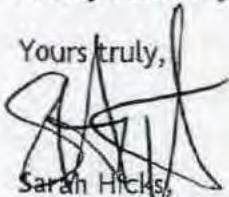
If you would like to continue to pursue a license for a medical marijuana-related retail use in the City of Vancouver, you have two options:

1. Secure an alternate business location that complies with all Zoning and Development By-law requirements and apply for a development permit at that location before July 22, 2016.
2. Appeal the Development Permit refusal to the Board of variance within 30 days of the refusal.

Regardless of the option you choose, you must cease medical marijuana-related retail operations at your current location before Friday, July 22, 2016. If you would like to continue business operations at your current location after that date, you must adjust your business model to another (non-marijuana-related) business type (e.g. retail store) and obtain the appropriate business licence for that use.

City staff would be happy to meet and discuss your specific declustering evaluation results with you in more detail. If you are interested, please contact me at 604-873-7546 before Friday February 5, 2016 to arrange a meeting.

Yours truly,



Sarah Hicks,
Deputy Chief License Inspector

515 West 10th Avenue, Vancouver, BC V5Z 4A8
tel: 604.873.7546
fax: 604.873.7100
Sarah.Hicks@vancouver.ca

SH/mv

Att. (1)

MMRU De-Cluster Evaluations

Cluster # 16

DE: DE419557

Date: 15-Jan-16

Applicant: Matt Fraser - Apollo Medical

Location: 1712 W 4th

Reviewed By: Sarah Hicks

By-law Criteria	Evidence Used	Possible Demerits	Demerit Awarded
Non-Compassion Club	-Society Act Registration -Trade Association membership in CAMCD -Constitution and By-Laws for Society -Health Services, providers, qualifications and contact info	10	0
History of Complaints	>1 Complaint by >1 complainant in previous 12 months	2	0
Existing Work Without Permit	Special Inspection Report	3	0
History of poor business practice	-Location considered a problem premise By the VPD -Continued By-law infractions	4	4
Total		19	4
Notes:	<p>Location is a society and submitted all required information. At the time of inspection, the location was not yet occupied by MMRU applicant and they were not operational. There was work without permit however it is unclear if the work was completed by a previous tenant. There are no complaints on file. The VPD do not have any current concerns with the location or the applicant.</p> <p>An inspection dated January 14, 2016 shows that the location was operational which is contradictory to the requirements per a notification letter from October 9, 2015. Four Demerit points for poor business practice awarded as applicant is in violation of the business licence by-law.</p>		

May 20, 2016

Cannawise Healthy Wellness
Society C/O Kelly Snow
304-68 Water Street
Vancouver, BC
V6B 1A4

Dear Mr. Snow:

RE: Development Application Number DE419534

In October 2015, you were advised that your preliminary application for a Medical Marijuana-Related Use at 1864 West 4th Avenue is within 300 metres of at least one other application and must be evaluated using the four declustering criteria defined in the City's Licence Bylaw.

The evaluation for your application was completed and received the same number of demerits as at least one other application in your cluster. Accordingly, your cluster was decided by random draw. Your application was not successful at the draw, and you may not proceed in the permits and licensing process at your current location.

Next Steps for Your Application

If you would like to continue to pursue a license for a medical marijuana-related retail use in the City of Vancouver, you have two options:

1. Secure an alternate business location that complies with all Zoning and Development By-law requirements and apply for a development permit at that location.

If you secure an alternate site that is in a permitted commercial zone and meets Section 11.28.2 (a) to (g) of the Zoning and Development By-law, you can submit a Development Permit application at that site.

You can check the zoning and distancing for candidate sites using the VanMap application on the City's website. It is recommended that you contact City staff to check if a potential alternate site meets by-law requirements before you make purchase or lease commitments. You may request a zoning check by emailing the property address to medical.marijuana@vancouver.ca

2. Appeal the Development Permit refusal to the Board of variance within 30 days of the refusal.

2016/11/10 10:13 AM

The Board of Variance hears appeals for Development Permit applications refused by the Director of Planning. To schedule an appeal, contact the Secretary to the Board of Variance at 604.873.7723. For more information about the Board of Variance appeal process, visit <http://vancouver.ca/home-property-development/appealing-decisions-to-the-board-of-variance-or-parking-variance-board.aspx>

You must schedule your appeal by 4:30 p.m., Friday, June 17, 2016.

Regardless of the option you choose, you must cease medical marijuana-related retail operations at your current location before Thursday, November 10th, 2016. If you would like to continue business operations at your current location after that date, you must adjust your business model to another (non-marijuana-related) business type (e.g. retail store) and obtain the appropriate business licence for that use.

If you have any questions, or to book an appointment for new application intake, please contact John Freeman at 604.873.6076, john.freeman@vancouver.ca

Yours truly,



Andreea Toma, P.Eng.
Chief Licence Inspector
Director, Licensing, Property Use
Inspections
& Animal Services



John Greer
Assistant Director
Development Review Branch

May 4, 2016

Cannawise Healthy Wellness Society
C/O Kelly Snow
304 - 68 Water Street
Vancouver, BC
V6B 1A4

Dear Ms. Snow:

RE: Development Application Number DE419534 - 1864 W. 4th Avenue

Your preliminary application for a medical marijuana-related retail use (MMRU) at 1864 W. 4th Avenue has been reviewed and is within 300 metres of four other preliminary MMRU applications.

The License By-law states that in such cases, the Chief Licence Inspector will use the four criteria set out in the License By-law to evaluate and assign points to each location in a cluster. Only the application with the fewest points will be eligible to apply for a full development permit and business licence at that location; the others must close. In the event of a tie, the cluster will be decided based on a random draw.

The evaluation for your application is complete and it received the same number of demerits as the applications for #206 -1540 W. 2nd Avenue, 1812 W. 4th Avenue, 1712 W. 4th Avenue and 1952 W. 4th Avenue. Accordingly, your cluster will be decided by random draw. The draw details are as follows:

Date: Wednesday, May 11, 2016

Time: 3:30pm

Location: Development Services and Building Centre, 515 W. 10th Avenue

As the applicant, you are invited to observe the random draw and you may bring one additional attendee. Please bring this letter and photo identification and check in with Security on the ground floor of the building. If you cannot attend in person, you may send one alternate in your place. Your alternate must present this letter in order to attend the draw.

If you have questions regarding the draw or your application, please contact John Freeman at 604.873.6076.

City of Vancouver, Community Services
Licensing, Property Use Inspections and Animal Services
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7100
website: vancouver.ca



Yours truly,

A handwritten signature in black ink, appearing to read 'Andreea Toma', with a stylized flourish at the end.

Andreea Toma, P.Eng.
Chief Licence Inspector

AT/mv

January 22, 2016

Kelly Snow
Cannawide Healthy Wellness Society
304 - 68 Water Street
Vancouver, BC V6B 1A4

Dear Kelly Snow:

RE: Development Application Number DE419534

Your preliminary Development Permit application for a medical marijuana-related retail use (MMRU) at 1866 West 4th Avenue (specific address: 1864 West 4th Avenue) has been reviewed and is within 300 metres of at least one other preliminary MMRU application. City regulations require that medical marijuana-related retail uses be located at least 300 metres apart.

Clustered applications such as yours are evaluated against four declustering criteria set out in the Business License Bylaw (See Table 1 below). In each cluster, only the application with the fewest demerits is allowed to continue in the permits and licensing process at that location; the other application(s) must close.

Table 1: Medical Marijuana-related Use - Declustering Criteria

Declustering Criteria	Scoring
1. Is the applicant a Compassion Club, as defined by the License Bylaw?	No = +10 demerits
2. Has the City received more than one substantive complaint, from more than one complainant, in the previous 12 months?	Yes = +2 demerits
3. Has work been done on the business premises without a Building Permit?	Yes = +3 demerits
4. Does the applicant have a history of poor business practices (e.g. bylaw infractions, VPD enforcement action)?	Yes = +4 demerits

Declustering Evaluation Results For Your Site

Declustering evaluations for the six preliminary applications in your cluster are now complete. Your application received 3 demerits for work done without a Building Permit. See attached for your declustering evaluation summary.

City of Vancouver, Community Services
Licensing, Property Use Inspections and Animal Services
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7100
website: vancouver.ca



Another application in your cluster received fewer demerits and will move forward in the permits and licensing process at their current location. Your preliminary Development Permit application will be refused.

Next Steps For Your Application

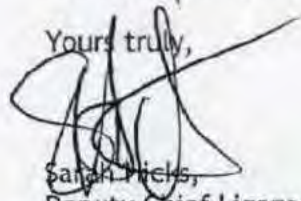
If you would like to continue to pursue a license for a medical marijuana-related retail use in the City of Vancouver, you have two options:

1. Secure an alternate business location that complies with all Zoning and Development By-law requirements and apply for a development permit at that location before July 22, 2016.
2. Appeal the Development Permit refusal to the Board of variance within 30 days of the refusal.

Regardless of the option you choose, you must cease medical marijuana-related retail operations at your current location before Friday, July 22, 2016. If you would like to continue business operations at your current location after that date, you must adjust your business model to another (non-marijuana-related) business type (e.g. retail store) and obtain the appropriate business licence for that use.

City staff would be happy to meet and discuss your specific declustering evaluation results with you in more detail. If you are interested, please contact me at 604-873-7546 before Friday February 5, 2016 to arrange a meeting.

Yours truly,



Sarah Hicks,
Deputy Chief License Inspector

515 West 10th Avenue, Vancouver, BC V5Z 4A8
tel: 604.873.7546
fax: 604.873.7100
Sarah.Hicks@vancouver.ca

SH/mv

Att. (1)

MMRU De-Cluster Evaluations

Cluster # 16

DE: DE419534

Date: 23-Nov-15

Applicant: Kelly Snow - Cannawide Dispensary

Location: 1864 W 4th

Reviewed By: Sarah Hicks

By-law Criteria	Evidence Used	Possible Demerits	Demerit Awarded
Non-Compassion Club	-Society Act Registration -Trade Association membership in CAMCD -Constitution and By-Laws for Society -Health Services, providers, qualifications and contact info	10	0
History of Complaints	>1 Complaint by >1 complainant in previous 12 months	2	0
Existing Work Without Permit	Special Inspection Report	3	3
History of poor business practice	-Location considered a problem premise By the VPD -Continued By-law infractions	4	0
Total		19	3
Notes:	Location is a society and provided all required documentation. At the time of inspection, the location was occupied by MMRU applicant and they were operational. There was work without permit that was confirmed to be completed by the MMRU applicant. There are no complaints on file. The VPD do not have any current concerns with the location or the applicant.		

REGISTERED AND REGULAR MAIL

PLEASE REFER TO:
M. Carstairs, Building Inspector
Investigations and Enforcement
Team at 604.873.7170
mike.carstairs@vancouver.ca
IR # IE11173 / EN # 114260

ORDER

December 1, 2015

Jericho Villa Ltd.
300 - 410 Carleton Avenue
Burnaby, BC V5C 6P6

} OWNER

Kelly Snow
Cannawide Healthy Wellness Society
304 - 68 Water Street
Vancouver, BC V6B 1A4

} TENANT

(INFO OMITTED FROM OWNER'S COPY)

Diary? No..... Yes.

To: MIKE CARSTAIRS

Date: 12/16/15 Init: UJ

EN #: 114260

Dear Sir/Madam:

RE: 1864 West 4th Avenue (and 1866 West 4th Avenue)
Inspection Application No. IA-2015-00088
Preliminary Development Application No. DE419534

An inspection of the above premises was carried out by the Building Inspector on November 2, 2015, in order to determine compliance with the Building By-law for the proposed occupancy of 1864 West 4th Avenue as a medical marijuana related retail use.

The inspection revealed the following violations of the Building By-law:

1. A security gate has been installed across the front of the unit.
2. The rear exit door has a double keyed deadbolt.
3. The security gate door at the rear exit has a double keyed lock.

The above noted deficiencies pose an unsafe condition and must be rectified before your Development Application can proceed further.

Therefore, in accordance with Article 1.5.4.2. of Division C of the Building By-law, you are **ORDERED TO:**

1. Remove the unapproved security gate that has been installed across the front of the unit.
2. Remove the unapproved double keyed deadbolt from the rear exit door and replace it with a lock that is code compliant; AND
3. Remove the unapproved double keyed lock from security gate door at the rear exit and replace it with a lock that is code compliant,

ON OR BEFORE DECEMBER 15, 2015.

A Building Permit is not required to carry out the above work. However, once the work is completed, you must arrange for an inspection by calling the Building Inspector, Mike Carstairs, at 604.873.7170 on or before December 15, 2015.

FAILURE TO COMPLY WITH THIS ORDER MAY RESULT IN THE CITY PURSUING LEGAL ACTION AGAINST YOU AND WILL DELAY YOUR DEVELOPMENT PERMIT APPLICATION REVIEW.

Work Without Permit:

The Building Inspector further reported that the following alterations have been carried out in the above premises without permit or approval, in contravention of the Building By-law:

1. A wall has been constructed that separates the front reception area from the back retail/sales area.
2. A wall has been constructed at the rear of the retail/sales area that runs east to west.
3. A wall has been constructed at the south west corner of the unit to create an office with a rear storage room.

A Building Permit is required to rectify these deficiencies whether or not the proposed retail use is approved. However, the City is prepared to postpone enforcement of the above work without permit until a decision has been made regarding your Development Permit application.

Next Steps:

Concurrent with the above inspection process, your Development Permit application is being evaluated against the four declustering criteria defined in the License By-law. If you have questions about the declustering process, please contact Sarah Hicks, Deputy Chief Licence Inspector, at 604.873.7546.

When the evaluation of your site is complete, you will receive another letter from the City informing you of the next steps for your application.

Yours truly,



P. Ryan, M. Sc., P. Eng.
Chief Building Official and
Director, Building Code and Policy

MC/ch

Copy: Posted on Building

Copy: Mike Carstairs, Building Inspector
John Freeman, Project Facilitator
Phoebe Stewart, Project Coordinator

Copy: Jericho Villa Ltd.
200 - 808 West Hastings Street
Vancouver, BC V6C 2X4

Folio: 640-097-50-0000
Civic: 1856 4TH AVE W
Size: 74.9 102.94 WIDTH/DEPTH

Pid: 006-596-738
Legal: LOT 1 BLOCK 247 PLAN 20487 DISTRICT LOT 526 NEW
WESTMINSTER EXCEPT PLAN 17794.

Owner: JERICO VILLA LTD
200-808 HASTINGS ST W
VANCOUVER BC V6C 2X4
(BB1100061)



BC Company Summary

For JERICO VILLA LTD.

Date and Time of Search: October 23, 2015 01:07 PM Pacific Time
Currency Date: October 13, 2015

ACTIVE

Incorporation Number: BC0023796
Name of Company: JERICO VILLA LTD.
Recognition Date: Incorporated on August 20, 1948
Last Annual Report Filed: August 20, 2015
In Liquidation: No
Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address: 300-410 CARLETON AVENUE BURNABY BC V5C 6P6 CANADA
Delivery Address: 300-410 CARLETON AVENUE BURNABY BC V5C 6P6 CANADA

RECORDS OFFICE INFORMATION

Mailing Address: 300-410 CARLETON AVENUE BURNABY BC V5C 6P6 CANADA
Delivery Address: 300-410 CARLETON AVENUE BURNABY BC V5C 6P6 CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name: HENDERSON, JAMES DOUGLAS (formerly HENDERSON, JAMES D.)
Mailing Address: 3715 CAMPBELL AVENUE NORTH VANCOUVER BC V7K 2M4 CANADA
Delivery Address: 3715 CAMPBELL AVENUE NORTH VANCOUVER BC V7K 2M4 CANADA

Last Name, First Name, Middle Name: HENDERSON, LINDA MARY (formerly HENDERSON, LINDA MARY)
Mailing Address: 8349 MOUNTAINVIEW DRIVE WHISTLER BC V0N 1B8 CANADA
Delivery Address: 8349 MOUNTAINVIEW DRIVE WHISTLER BC V0N 1B8 CANADA

Last Name, First Name, Middle Name:

OLLIS, JANET MARGARET

Mailing Address:

3838 HOSKINS ROAD
NORTH VANCOUVER BC V7K 2N8
CANADA

Delivery Address:

3838 HOSKINS ROAD
NORTH VANCOUVER BC V7K 2N8
CANADA

OFFICER INFORMATION AS AT August 20, 2015

Last Name, First Name, Middle Name:

HENDERSON, LINDA MARY

Office(s) Held: (Secretary)

Mailing Address:

8349 MOUNTAINVIEW DRIVE
WHISTLER BC V0N 1B8
CANADA

Delivery Address:

8349 MOUNTAINVIEW DRIVE
WHISTLER BC V0N 1B8
CANADA

Last Name, First Name, Middle Name:

HENDERSON, JAMES DOUGLAS

Office(s) Held: (Vice President)

Mailing Address:

3715 CAMPBELL AVENUE
NORTH VANCOUVER BC V7K 2M4
CANADA

Delivery Address:

3715 CAMPBELL AVENUE
NORTH VANCOUVER BC V7K 2M4
CANADA

Last Name, First Name, Middle Name:

OLLIS, JANET MARGARET

Office(s) Held: (President)

Mailing Address:

3838 HOSKINS ROAD
NORTH VANCOUVER BC V7K 2N8
CANADA

Delivery Address:

3838 HOSKINS ROAD
NORTH VANCOUVER BC V7K 2N8
CANADA

October 9, 2015

Kelly Snow
Cannawide Healthy Wellness Society
304 - 68 Water Street
Vancouver, BC V6B 1A4

Dear Kelly Snow:

RE: Development Application Number DE419534

Your preliminary application for a medical marijuana-related retail use (MMRU) at 1866 West 4th Avenue (specific address: 1864 West 4th Avenue) has been reviewed and is within 300 metres of at least one other preliminary MMRU application.

Section 11.28.2 of the Zoning and Development By-law states, "a Medical Marijuana-related Use is not permitted within 300 metres of the nearest property line of a site containing another Medical Marijuana-related Use." Therefore your application, and all of the other applications in your cluster, will be reviewed and scored using the declustering criteria set out in the License By-law.

In each cluster, the application with the fewest demerits can continue in the permits and licencing process at that location. The other applications in the cluster will have a period of time to close or to reapply with a different location that meets all Zoning and Development By-law requirements, including the 300 metre minimum distance requirement from other MMRUs.

Next Steps for Your Application

The next steps for your application are:

1. Request a Special Inspection of the premises.

Bring this letter and the property owner's written consent to inspection to the Development and Building Services Centre. The Centre is located on the 1st Floor of 515 West 10th Avenue and is open from 8:30 a.m. to 4:30 p.m. Monday/Wednesday/Friday and 8:30 a.m. to 4:00 p.m. Tuesday/Thursday. City staff will log your inspection request and a building inspector will contact you shortly to book the inspection. The Special Inspection fee is \$326 + GST, payable by cash, credit or debit at the time of application.

The purpose of the Special Inspection is to determine if the space complies with City by-laws. The inspector will require full access to the space and all areas associated with entrances and exits to your location.

You must request your Special Inspection by **4:30 p.m., Friday, October 23, 2015** for your application to remain active.

2. Submit a Police Information Check - Vulnerable Sector.

A Police Information Check (PIC) - Vulnerable Sector for the applicant(s) will be one of the items used to assess the history of business practices for each application. To obtain a PIC, complete the attached application form and bring the form, this letter, and two pieces of current government-issued ID (one with photo) to the VPD Cambie Public Service Unit at 2120 Cambie Street between 8:00 a.m. and 5:00 p.m. Monday to Sunday. The PIC fee is \$70 + GST, payable by cash, credit or debit at the time of application.

The PIC must be dated after **October 1, 2015**. Once you obtain the PIC, submit it to Reception at the Development and Building Services Centre in an envelope marked Attention: Deputy Chief Licence Inspector. You must submit your PIC by **Friday, November 6, 2015**, for your application to remain active.

Please do not have your staff obtain PICs at this time; you will be notified when staff PICs are required later in the licencing process.

3. Submit Proof of Compassion Club Status (if applicable).

If you would like to be considered as a Compassion Club for the purposes of the declustering evaluation, you must provide:

- Proof of registration under the Society Act.
- Proof of Trade Association membership in the Canadian Association of Medical Cannabis Dispensaries (CAMCD).
- The name, contact information, and governing professional body for each of the professionals that will provide health care services to society members.
- A copy of the society's constitution and by-laws.

You must submit all of the above materials to Reception at the Development and Building Services Centre in an enveloped marked Attention: Deputy Chief Licence Inspector by **Friday, November 6, 2015**, or your application will be considered a Retail Dealer for the purposes of the declustering evaluation.

The Declustering Process

Once your Special Inspection is complete and you have submitted the required information, City staff will evaluate and score your application using four declustering criteria defined in the License By-law (s. 12.2 (30b) and s. 24.5(24b)). The table below shows the declustering criteria and demerits for each.

Declustering Criteria	Scoring
1. Is the applicant a Compassion Club, as defined by the License By-law?	No = +10 demerits
2. Has the City received more than one substantive complaint, from more than one complainant, in the previous 12 months?	Yes = +2 demerits
3. Has work been done on the business premises without a permit?	Yes = +3 demerits
4. Does the applicant have a history of poor business practices (e.g. by-law infractions, VPD enforcement action)?	Yes = +4 demerits

There will be an opportunity for you to review and comment on the declustering evaluation for your site before it is finalized.

In each cluster, the application with the fewest demerits can continue in the permits and licencing process at that location. The other preliminary development permit applications in the cluster will be refused. If your application is refused, you will have three options:

1. Secure an alternate business location that complies with all Zoning and Development By-law requirements and reapply before the deadline set in the refusal letter.
2. Appeal the development permit refusal to the Board of Variance within 30 days of refusal.
3. Close.

Opting Out Of the Declustering Process

If you would prefer not to complete the Special Inspection and declustering steps, you may withdraw your preliminary development permit application. You will have six months from the date of withdrawal to submit a complete development permit application at an alternate location that meets all Zoning and Development By-law requirements. To withdraw, contact the Project Facilitators listed at the bottom of this letter.

Please note that if you fail to meet any of the deadlines in this letter, your application will not proceed to declustering evaluation. In this case, your preliminary development permit application will be refused and you have six months to submit a complete development permit application at an alternate business location that meets all Zoning and Development By-law requirements.

Starting November 2, 2015, you can request a zoning check on potential alternate locations by emailing the property addresses to medical.marijuana@vancouver.ca

Business Operations during Inspections and Evaluation

If you have not opened a retail business at the address of your application by **October 9, 2015**, you may not open before you obtain a business licence. If you were already operating by October 9, 2015, you may continue to do so provided you meet the application deadlines within this letter and demonstrate exemplary business practices that include at a minimum:

- No smoking, dabbing, vaping, vapourizing or use of e-cigarettes on site.
- No display or sale of edibles other than oils, tinctures or capsules.
- No minors on site, or advertising to minors.
- No neighbourhood disturbance.

The City will be increasing inspections of medical marijuana-related businesses and any found in violation of the above practices will be subject to enforcement action and possible closure.

If you have any questions, please contact Phoebe Stewart at phoebe.stewart@vancouver.ca, or John Freeman at john.freeman@vancouver.ca

Yours truly,

A handwritten signature in black ink, appearing to be 'J Greer', written in a cursive style.

John Greer
Assistant Director

Att. (1)

MMRU De-Cluster Evaluations

Cluster # 16

DE: DE419512

Date: 12-Jan-16

Applicant: Tao Phillips - Granville Island Health Society

Location: 101-1833 Anderson

Reviewed By: Sarah Hicks

By-law Criteria	Evidence Used	Possible Demerits	Demerit Awarded
Non-Compassion Club	-Society Act Registration -Trade Association membership in CAMCD -Constitution and By-Laws for Society -Health Services, providers, qualifications and contact info	10	10
History of Complaints	>1 Complaint by >1 complainant in previous 12 months	2	0
Existing Work Without Permit	Special Inspection Report	3	0
History of poor business practice	-Location considered a problem premise By the VPD -Continued By-law infractions	4	0
Total		19	10
Notes:	<p>Location submitted certificate of incorporation for society, Health Service providers' information, society constitution and reference to the by-laws being those set out in Schedule B of the Society Act. The applicant submitted an online receipt of payment from October 22, 2015 for an application to CAMCD. Upon contacting CAMCD COO, Shega A'Mula on January 12, 2016, she confirmed that they are not members as they have not submitted any of the appropriate information for review - therefore 10 demerit points for not meeting the requirements for a compassion club were awarded.</p> <p>At the time of inspection, the location was occupied by MMRU applicant and they were operational. There was no work without permit. There are no complaints on file. The VPD do not have any current concerns with the location or the applicant.</p>		



Planning and Development Services
License and Inspections
Mailing Address: 453 W 12th Avenue
Vancouver, BC, V5Y 1V4

**Development Permit
Preliminary Application (Stage 1):
Retail Dealer - Medical Marijuana-related
Use Application Form**

DE419512

C-213

Application location (complete and correct address is important. Complete this section carefully).

Address: 1833 Anderson St. Specifics: _____

Floor Level: _____ Suite No: 101

Legal Description:

Lot(s): 17 Block(s): 230 District Lot(s): 525 Plan Number(s): 738

OK

This area must be completed by the person signing the Preliminary Application Form.

Your Name: Tao Phillips

Mailing Address: 2624 W 3rd ave
(if different from above)

City: Vancouver Postal Code: V6K 1M3

E-mail Address: tao.phillips@gmail.com

Phone Number: 778 895 0453

Business Name: Granville Island Health Society

You are the

- Tenant
- Agent for Tenant
- Non-profit Association

Cert. No: S-0063483

As owner or owner's agent, I have verified that the information contained within this document and associated applications and plans is correct, and describes a use, a building or a work which complies with all relevant by-laws and statutes. I understand that personal information contained in this form will not be released to the public except as required by law; however, all associated applications and plans will be made publicly available during the development or building application process. I acknowledge that responsibility for by-law compliance rests with the owner and the owner's employees, agents and contractors. I will indemnify and save harmless the City of Vancouver, its officials, employees and agents against all claims, liabilities and expenses of every kind, in respect to anything done or not done pursuant to this application or fact sheet or ensuing permit, including negligence and/or the failure to observe all by-laws, acts or regulations.

SIGNED AT VANCOUVER, BC THIS 20 DAY OF AVG 2015

Signature of Applicant

Office Use Only

Date of Application: DAY: 20 MONTH: AVG YEAR: 2015

Date of Lease: DAY: 1 MONTH: JAN YEAR: 2015

Application Received By:

Application requirements include:

- Fee of \$100.00
- Proof of Lease

City of Vancouver, Planning and Development Services
Licensing and Inspections
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 604.873.7611 fax: 604.873.7100
website: vancouver.ca

LEASE AGREEMENT

This Lease is made between TADOGLU ESTATES, LANDLORD;

And GRANVILLE ISLAND HEALTH SOCIETY, TENANT of 101-1833 Anderson St., Vancouver BC, On the 1st of August, 2015, on the terms of;

1. Location - 101-1833 Anderson St., Vancouver, BC
2. Lease commences on the 1st day of January, 2015, ending on 31st day of December, 2015.
3. Monthly rent is \$2500.
4. The tenant has the right to extend the lease for an additional 3 years at \$2600 per month, Commencing on January 1st 2016 and terminating on December 31st 2018. Tenant must inform the Landlord of the desire to extend the lease at least 60 days to prior to the expiration of the first term.
4. Tenant has the right to extend the lease for an additional term of 3 years at market rent beginning on January 1st, 2019 until December 31st, 2021.
5. Tenant is to use this property for the sale of cannabis and derivatives from cannabis.
6. The Tenant shall possess business liability insurance
7. The Tenant shall pay for all operation costs.
8. Landlord shall pay for Building Insurance
9. Landlord shall pay for property taxes
10. Landlord is not allowed to lease another retail location to a seller of marijuana in any form.

Signed by
Tadoglu Estates
Authorized Signatory ARG TADOGLU



Signed by
Granville Island Health Society
Authorized Signatory TAO PHILLIPS



January 22, 2016

Mr. Tao Philips
Granville Island Health Society
2624 West 3rd Avenue
Vancouver, BC V6K 1M3

Dear Mr. Philips:

RE: Development Application Number DE419512

Your preliminary Development Permit application for a medical marijuana-related retail use (MMRU) at 1833 Anderson Street has been reviewed and is within 300 metres of at least one other preliminary MMRU application. City regulations require that medical marijuana-related retail uses be located at least 300 metres apart.

Clustered applications such as yours are evaluated against four declustering criteria set out in the Business License Bylaw (See Table 1 below). In each cluster, only the application with the fewest demerits is allowed to continue in the permits and licensing process at that location; the other application(s) must close.

Table 1: Medical Marijuana-related Use - Declustering Criteria

Declustering Criteria	Scoring
1. Is the applicant a Compassion Club, as defined by the License Bylaw?	No = +10 demerits
2. Has the City received more than one substantive complaint, from more than one complainant, in the previous 12 months?	Yes = +2 demerits
3. Has work been done on the business premises without a Building Permit?	Yes = +3 demerits
4. Does the applicant have a history of poor business practices (e.g. bylaw infractions, VPD enforcement action)?	Yes = +4 demerits

Declustering Evaluation Results For Your Site

Declustering evaluations for the six preliminary applications in your cluster are now complete. Your application received 10 demerits because you did not provide the required proof of status as a Compassion Club. See attached for your declustering evaluation summary.

Another application in your cluster received fewer demerits and will move forward in the permits and licensing process at their current location. Your preliminary Development Permit application will be refused.

Next Steps For Your Application

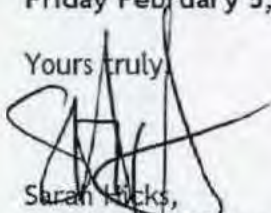
If you would like to continue to pursue a license for a medical marijuana-related retail use in the City of Vancouver, you have two options:

1. Secure an alternate business location that complies with all Zoning and Development By-law requirements and apply for a development permit at that location before July 22, 2016.
2. Appeal the Development Permit refusal to the Board of variance within 30 days of the refusal.

Regardless of the option you choose, you must cease medical marijuana-related retail operations at your current location before Friday, July 22, 2016. If you would like to continue business operations at your current location after that date, you must adjust your business model to another (non-marijuana-related) business type (e.g. retail store) and obtain the appropriate business licence for that use.

City staff would be happy to meet and discuss your specific declustering evaluation results with you in more detail. If you are interested, please contact me at 604-873-7546 before Friday February 5, 2016 to arrange a meeting.

Yours truly,



Sarah Hicks,
Deputy Chief License Inspector

515 West 10th Avenue, Vancouver, BC V5Z 4A8
tel: 604.873.7546
fax: 604.873.7100
Sarah.Hicks@vancouver.ca

SH/mv

Att. (1)

MMRU De-Cluster Evaluations

Cluster # 16

DE: DE419512

Date: 12-Jan-16

Applicant: Tao Phillips - Granville Island Health Society

Location: 101-1833 Anderson

Reviewed By: Sarah Hicks

By-law Criteria	Evidence Used	Possible Demerits	Demerit Awarded
Non-Compassion Club	-Society Act Registration -Trade Association membership in CAMCD -Constitution and By-Laws for Society -Health Services, providers, qualifications and contact info	10	10
History of Complaints	>1 Complaint by >1 complainant in previous 12 months	2	0
Existing Work Without Permit	Special Inspection Report	3	0
History of poor business practice	-Location considered a problem premise By the VPD -Continued By-law infractions	4	0
Total		19	10
Notes:	<p>Location submitted certificate of incorporation for society, Health Service providers' information, society constitution and reference to the by-laws being those set out in Schedule B of the Society Act. The applicant submitted an online receipt of payment from October 22, 2015 for an application to CAMCD. Upon contacting CAMCD COO, Shega A'Mula on January 12, 2016, she confirmed that they are not members as they have not submitted any of the appropriate information for review - therefore 10 demerit points for not meeting the requirements for a compassion club were awarded.</p> <p>At the time of inspection, the location was occupied by MMRU applicant and they were operational. There was no work without permit. There are no complaints on file. The VPD do not have any current concerns with the location or the applicant.</p>		

REGISTERED AND REGULAR MAIL

PLEASE REFER TO:
M. Carstairs, Building Inspector
Investigations and Enforcement
Team at 604.873.7170
mike.carstairs@vancouver.ca
IR # IE11188 / EN # 114354

ORDER

December 4, 2015

Tadoglu Estates Inc.
1850 Manulife Place
1095 West Pender Street
Vancouver, BC V6E 2M6

} OWNER

Tao Phillips
2624 West 3rd Avenue
Vancouver, BC V6K 1M3

} TENANT
(INFO OMITTED ON OWNERS COPY)

Diary? No..... Yes........
To: MIKE CARSTAIRS
Date: 12/2/15 Init: CH
EN #: 114354

Dear Sir/Madam:

RE: 1833 Anderson Street - Unit #101
Inspection Application No. IA-2015-00089
Preliminary Development Permit Application No. DE419512

An inspection of the above premises was carried out by the Building Inspector on November 3, 2015, in order to determine compliance with the Building By-law for the proposed occupancy of #101 - 1833 Anderson Street as a medical marijuana related retail use.

The inspection revealed the following violations of the Building By-law:

1. A double keyed deadbolt has been installed on the front door.
2. A throw latch has been installed on the rear exit door.

The above noted deficiencies pose an unsafe condition and must be rectified before your Development Application can proceed further.

Therefore, in accordance with Article 1.5.4.2. of Division C of the Building By-law, you are **ORDERED TO:**

1. Remove the double keyed deadbolt from the front entry door and replace it with a lock that is code compliant, **AND**
2. Remove the throw latch from the rear exit door and replace it with a lock that is code compliant,

ON OR BEFORE DECEMBER 18, 2015.

A Building Permit is not required to carry out the above work. However, once the work is completed, you must arrange for an inspection by calling the Building Inspector, Mike Carstairs, at 604.873.7170, on or before December 18, 2015.

FAILURE TO COMPLY WITH THIS ORDER MAY RESULT IN THE CITY PURSUING LEGAL ACTION AGAINST YOU AND WILL DELAY YOUR DEVELOPMENT APPLICATION REVIEW.

Next Steps:

Concurrent with the above inspection process, your Development Permit application is being evaluated against the four declustering criteria defined in the License By-law. If you have questions about the declustering process, please contact Sarah Hicks, Deputy Chief License Inspector at 604.873.7546.

When the evaluation of your site is complete, you will receive another letter from the City informing you of the next steps for your application.

Yours truly,



A
P. Ryan, M.Sc., P.Eng
Chief Building Official and
Director, Building Code & Policy

MC/ch

Enclosure

Copy: Posted on building

Copy: M. Carstairs, Building Inspector
J. Freeman, Project Facilitator
P. Stewart, Project Coordinator

Copy: Tadoglu Estates Inc.
1833 Anderson Street
Vancouver, BC V6H 4E5

Folio: 127-636-47-0000
Civic: 1833 ANDERSON ST
Size: 10185 SQUARE FEET

Pid: 002-446-961
Legal: LOT 17 BLOCK 230 PLAN VAP590 DISTRICT LOT 526
NEW WESTMINSTER EXCEPT PLAN 738. LOT 18, BLOCK
230, PLAN VAP590, DISTRICT LOT 526, NEW
WESTMINSTER LAND DISTRICT, EXCEPT PLAN 738, LOT
20, BLOCK 230, PLAN VAP590, DISTRICT LOT 526, NEW
WESTMINSTER LAND DISTRICT, LOT 19, BLOCK 230,
PLAN VAP590, DISTRICT LOT 526, NEW WESTMINSTER
LAND DISTRICT, LOT 16, BLOCK 230, PLAN

Owner: TADOGLU ESTATES INC
1833 ANDERSON ST
VANCOUVER BC V6H 4E5
(BX448074)



BC Company Summary

For
TADOGLU ESTATES INC.

Date and Time of Search: December 02, 2015 03:51 PM Pacific Time
Currency Date: November 03, 2015

ACTIVE

Incorporation Number: BC0723648
Name of Company: TADOGLU ESTATES INC.
Recognition Date and Time: Incorporated on May 04, 2005 03:00 PM Pacific Time **In Liquidation:** No
Last Annual Report Filed: May 04, 2015 **Receiver:** No

COMPANY NAME INFORMATION

Previous Company Name: TADAGLOU ESTATES INC. **Date of Company Name Change:** May 10, 2005

REGISTERED OFFICE INFORMATION

Mailing Address: 1850 MANULIFE PLACE, 1095 WEST PENDER ST
VANCOUVER BC V6E 2M6
CANADA
Delivery Address: 1850 MANULIFE PLACE, 1095 WEST PENDER ST
VANCOUVER BC V6E 2M6
CANADA

RECORDS OFFICE INFORMATION

Mailing Address: 1850 MANULIFE PLACE, 1095 WEST PENDER ST
VANCOUVER BC V6E 2M6
CANADA
Delivery Address: 1850 MANULIFE PLACE, 1095 WEST PENDER ST
VANCOUVER BC V6E 2M6
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
TADOGLU, DIMITRIOS (formerly TADAGLOU, DIMITRIOUS)

Mailing Address: 3626 DUNBAR STREET
VANCOUVER BC V6S 2C7
CANADA
Delivery Address: 3626 DUNBAR STREET
VANCOUVER BC V6S 2C7
CANADA

Last Name, First Name, Middle Name:

TADOGLU, MARIA (formerly TADAGLOU, MARIA)

Mailing Address:

3626 DUNBAR STREET
VANCOUVER BC V6S 2C7
CANADA

Delivery Address:

3626 DUNBAR STREET
VANCOUVER BC V6S 2C7
CANADA

OFFICER INFORMATION AS AT May 04, 2015

Last Name, First Name, Middle Name:

Tadoglu, Dimitrios

Office(s) Held: (President)

Mailing Address:

3626 DUNBAR STREET
VANCOUVER BC V6S 2C7
CANADA

Delivery Address:

3626 DUNBAR STREET
VANCOUVER BC V6S 2C7
CANADA

Last Name, First Name, Middle Name:

Tadoglu, Maria

Office(s) Held: (Secretary)

Mailing Address:

3626 DUNBAR STREET
VANCOUVER BC V6S 2C7
CANADA

Delivery Address:

3626 DUNBAR STREET
VANCOUVER BC V6S 2C7
CANADA



Title Search Report

Title: BX448074

Printed: Dec. 2, 2015 3:50 PM

Application for registration received on: May. 31, 2005

Entered on: Jun. 21, 2005

Declared value: 2100000

From Title: N82658

Taxation Authority: City of Vancouver

REGISTERED OWNERS IN FEE SIMPLE

TADOGLU ESTATES INC.,,
3626 DUNBAR STREET
VANCOUVER, BC
V6S 2C7

Inc. No: 0723648

PARCELS

Parcel Identifier: 002447142

Short Legal Description: S/590///230//20

Description of Land:

LOT 20 BLOCK 230 DISTRICT LOT 526 PLAN 590

LEGAL NOTATIONS

No legal notations

CHARGES

Charge Number: 233785M

Date registered: Jul. 26, 1966

Nature: EASEMENT AND INDEMNITY AGREEMENT

Owner: CITY OF VANCOUVER

Remarks:

- INTER ALIA

* Caution -- all charges may not be shown or appear in order of priority

* Current information only -- no cancelled information shown

May 19, 2016

Tao Philips
2624 W. 3rd Avenue
Vancouver, BC
V6K 1M3

Dear Mr. Phillips:

RE: Development Application Number DE419512

In October 2015, you were advised that your preliminary application for a Medical Marijuana-Related Use at #101 - 1833 Anderson Street is within 300 metres of at least one other application and must be evaluated using the four declustering criteria defined in the City's Licence Bylaw.

Your application is no longer in a cluster, and now you may proceed in the permits and licensing process at your current location.

The next step for your application is to submit a full development permit application. Please use the attached checklist to prepare application, and submit the application and fee to the Development and Building Services Centre. For more information about the process, and for sample application materials, please visit vancouver.ca/medical-marijuana-business. The time required to complete the development permit process varies, based on the complexity of the application.

You must submit your development permit application by **4:30 pm, Friday, June 17, 2016** for your application to remain active. The time required to complete the development permit process varies, based on the complexity of the application.

If you have any questions, or to book an appointment for application intake, please contact John Freeman at 604.873.6076, john.freeman@vancouver.ca

DOC/2016/156770

City of Vancouver,
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7100
website: vancouver.ca



Yours truly,



Andreea Toma, P.Eng.
Chief Licence Inspector
Director, Licensing, Property Use Inspections
& Animal Services



John Greer
Assistant Director
Development Review Branch

AT/

October 9, 2015

Mr. Tao Philips
Granville Island Health Society
2624 West 3rd Avenue
Vancouver, BC V6K 1M3

Dear Mr. Philips:

RE: Development Application Number DE419512

Your preliminary application for a medical marijuana-related retail use (MMRU) at 1833 Anderson Street has been reviewed and is within 300 metres of at least one other preliminary MMRU application.

Section 11.28.2 of the Zoning and Development By-law states, "a Medical Marijuana-related Use is not permitted within 300 metres of the nearest property line of a site containing another Medical Marijuana-related Use." Therefore your application, and all of the other applications in your cluster, will be reviewed and scored using the declustering criteria set out in the License By-law.

In each cluster, the application with the fewest demerits can continue in the permits and licencing process at that location. The other applications in the cluster will have a period of time to close or to reapply with a different location that meets all Zoning and Development By-law requirements, including the 300 metre minimum distance requirement from other MMRUs.

Next Steps for Your Application

The next steps for your application are:

1. Request a Special Inspection of the premises.

Bring this letter and the property owner's written consent to inspection to the Development and Building Services Centre. The Centre is located on the 1st Floor of 515 West 10th Avenue and is open from 8:30 a.m. to 4:30 p.m. Monday/Wednesday/Friday and 8:30 a.m. to 4:00 p.m. Tuesday/Thursday. City staff will log your inspection request and a building inspector will contact you shortly to book the inspection. The Special Inspection fee is \$326 + GST, payable by cash, credit or debit at the time of application.

The purpose of the Special Inspection is to determine if the space complies with City by-laws. The inspector will require full access to the space and all areas associated with entrances and exits to your location.

You must request your Special Inspection by **4:30 p.m., Friday, October 23, 2015** for your application to remain active.

2. Submit a Police Information Check - Vulnerable Sector.

A Police Information Check (PIC) - Vulnerable Sector for the applicant(s) will be one of the items used to assess the history of business practices for each application. To obtain a PIC, complete the attached application form and bring the form, this letter, and two pieces of current government-issued ID (one with photo) to the VPD Cambie Public Service Unit at 2120 Cambie Street between 8:00 a.m. and 5:00 p.m. Monday to Sunday. The PIC fee is \$70 + GST, payable by cash, credit or debit at the time of application.

The PIC must be dated after **October 1, 2015**. Once you obtain the PIC, submit it to Reception at the Development and Building Services Centre in an envelope marked Attention: Deputy Chief Licence Inspector. You must submit your PIC by **Friday, November 6, 2015**, for your application to remain active.

Please do not have your staff obtain PICs at this time; you will be notified when staff PICs are required later in the licencing process.

3. Submit Proof of Compassion Club Status (if applicable).

If you would like to be considered as a Compassion Club for the purposes of the declustering evaluation, you must provide:

- Proof of registration under the Society Act.
- Proof of Trade Association membership in the Canadian Association of Medical Cannabis Dispensaries (CAMCD).
- The name, contact information, and governing professional body for each of the professionals that will provide health care services to society members.
- A copy of the society's constitution and by-laws.

You must submit all of the above materials to Reception at the Development and Building Services Centre in an enveloped marked Attention: Deputy Chief Licence Inspector by **Friday, November 6, 2015**, or your application will be considered a Retail Dealer for the purposes of the declustering evaluation.

The Declustering Process

Once your Special Inspection is complete and you have submitted the required information, City staff will evaluate and score your application using four declustering criteria defined in the License By-law (s. 12.2 (30b) and s. 24.5(24b)). The table below shows the declustering criteria and demerits for each.

Declustering Criteria	Scoring
1. Is the applicant a Compassion Club, as defined by the License By-law?	No = +10 demerits
2. Has the City received more than one substantive complaint, from more than one complainant, in the previous 12 months?	Yes = +2 demerits
3. Has work been done on the business premises without a permit?	Yes = +3 demerits
4. Does the applicant have a history of poor business practices (e.g. by-law infractions, VPD enforcement action)?	Yes = +4 demerits

There will be an opportunity for you to review and comment on the declustering evaluation for your site before it is finalized.

In each cluster, the application with the fewest demerits can continue in the permits and licencing process at that location. The other preliminary development permit applications in the cluster will be refused. If your application is refused, you will have three options:

1. Secure an alternate business location that complies will all Zoning and Development By-law requirements and reapply before the deadline set in the refusal letter.
2. Appeal the development permit refusal to the Board of Variance within 30 days of refusal.
3. Close.

Opting Out Of the Declustering Process

If you would prefer not to complete the Special Inspection and declustering steps, you may withdraw your preliminary development permit application. You will have six months from the date of withdrawal to submit a complete development permit application at an alternate location that meets all Zoning and Development By-law requirements. To withdraw, contact the Project Facilitators listed at the bottom of this letter.

Please note that if you fail to meet any of the deadlines in this letter, your application will not proceed to declustering evaluation. In this case, your preliminary development permit application will be refused and you have six months to submit a complete development permit application at an alternate business location that meets all Zoning and Development By-law requirements.

Starting November 2, 2015, you can request a zoning check on potential alternate locations by emailing the property addresses to medical.marijuana@vancouver.ca

Business Operations during Inspections and Evaluation

If you have not opened a retail business at the address of your application by **October 9, 2015**, you may not open before you obtain a business licence. If you were already operating by October 9, 2015, you may continue to do so provided you meet the application deadlines within this letter and demonstrate exemplary business practices that include at a minimum:

- No smoking, dabbing, vaping, vapourizing or use of e-cigarettes on site.
- No display or sale of edibles other than oils, tinctures or capsules.
- No minors on site, or advertising to minors.
- No neighbourhood disturbance.

The City will be increasing inspections of medical marijuana-related businesses and any found in violation of the above practices will be subject to enforcement action and possible closure.

If you have any questions, please contact Phoebe Stewart at phoebe.stewart@vancouver.ca, or John Freeman at john.freeman@vancouver.ca

Yours truly,

A handwritten signature in black ink, appearing to be 'J Greer', written in a cursive style.

John Greer
Assistant Director

Att. (1)

MMRU De-Cluster Evaluations

Cluster #: 16

DE: DE419575

Date: 23-Nov-15

Applicant: Christina Davis - Lotusland Cannabis Society

Location: 1952 W 4th

Reviewed By: Sarah Hicks

By-law Criteria	Evidence Used	Possible Demerits	Demerit Awarded
Non-Compassion Club	-Society Act Registration -Trade Association membership in CAMCD -Constitution and By-Laws for Society -Health Services, providers, qualifications and contact info	10	0
History of Complaints	>1 Complaint by >1 complainant in previous 12 months	2	0
Existing Work Without Permit	Special Inspection Report	3	0
History of poor business practice	-Location considered a problem premise By the VPD -Continued By-law infractions	4	0
Total		19	0
Notes:	Location is a society and provided all required documentation. At the time of inspection, the location was occupied by MMRU applicant however they were not operational. There was work without permit however it is unclear if it was related to the MMRU applicant or previous tenants. There are no complaints on file. The VPD do not have any current concerns with the location or the applicant.		

715

SITE 275
OL 66
PC 54

(750)

NOTICE OF DEVELOPMENT APPLICATION

1952 West 4th Avenue
DE419575



August 30, 2016

Lotusland Cannabis Society has applied to the City of Vancouver for permission to change the use of this existing commercial unit from Retail to Medical Marijuana-Related Use. The proposal includes the following:

- change of use from Retail to Medical Marijuana-Related use;
- proposed floor area of approximately 620 square feet; and
- proposed operating hours Monday to Sunday 10am – 10pm.

Under the site's C-2B zoning, the application is "conditional" so it may be permitted; however, it requires the decision of the Director of Planning.

We welcome your written comments on this application by **September 16, 2016**. For more information and updates, visit: vancouver.ca/devapps

Or contact John Freeman, Project Facilitator at **604-871-6076** or john.freeman@vancouver.ca

FEES?
APP FORM?

MEMORANDUM - DE DISTRIBUTION

3 November 2016

TO: K. Cavell, Engineering
T. Mistry, Social Infrastructure (Memo)
J. Keller, Police Review (Memo)

FROM: John Freeman, Project Facilitator

SUBJECT: **DE419575** - 1952 W 4th Ave. MMRU change of use

Details: Change of use to this existing C-2B storefront to Medical Marijuana-related Use.
Interior alterations, BU application after approval of DE.
This application was a cluster winner in the lottery

Project Schedule:

Please send your comments and conditions to me on or before:
Oct 22, 2016.

Copies of pertinent materials will be sent with your Distribution. Other materials will be posted in Vandocs under the DE #.

Please let me know if you have any questions or comments.
Thanks, John Freeman, Project Facilitator 604 871 6076

Lotusland Cannabis Society

Lotusland Cannabis Society is a compassion club serving the Kitsilano area of Vancouver. We are conveniently located at 1952 West 4th. Lotusland is a members only Medical Marijuana dispensary for adult patients who have made a choice to use medical marijuana as a alternative medicine to pharmaceuticals. In order to become a member we require a confirmation of a medical diagnosis which marijuana could be used an an alternative medicine. At Lotusland we provide safe access to marijuana flowers, tinctures, phoenix tears, topical creams and CBD. Our staff are professional, friendly, knowledgeable and strive to help patients make informed choices on which cannabis product would most suite their needs.

In addition to carrying medical marijuana we also have a nutritionist for our members to utilize. At Lotusland we feel that nutrition and fitness are the keys to living a healthy lifestyle and aid in long term pain relief,

The hours of operation which we run are 10 AM to 10 PM 7 days per week. Our location has easy transit access, is walking distance to many of our patients and has 8 free parking spots for customer use.

Our projections indicate that we will have approximately 500 members from the Kitsilano area.

Our location is approximately 800 square feet fully staffed and there will be no lineups or excess noise outside of our store. All our members must sign a code of conduct which states that our members must not loiter or consume any marijuana products in public. This policy will be strictly enforced.

We look forward to serving the local community who wish to use medical cannabis to help live a more enjoyable life.

Lotusland Cannabis Club
Phone 604 704 8181

DE 419575





Planning and Development Services
License and Inspections

Mailing Address: 453 W 12th Avenue
Vancouver, BC, V5Y 1V4

C-2B

**Development Permit
Preliminary Application (Stage 1):
Retail Dealer - Medical Marijuana-related
Use Application Form**

Application location (complete and correct address is important. Complete this section carefully).

Address: 1952 West 4 AVE W Specifics: _____

OK

Floor Level: _____ Suite No: _____

Legal Description:

Lot(s): 8 Block(s): 246 District Lot(s): 526 Plan Number(s): 590
PID 008-416-231

This area must be completed by the person signing the Preliminary Application Form.

Your Name: Gary Davis

You are the
 Tenant
 Agent for Tenant
 Non-profit Association
Cert. No: 50064495

Mailing Address: _____
(if different from above)

City: _____ Postal Code: V6J 1M5

E-mail Address: midnightrun379@live.com

Phone Number: 604-781-0366

Business Name: Lotusland Cannabis Society

As owner or owner's agent, I have verified that the information contained within this document and associated applications and plans is correct, and describes a use, a building or a work which complies with all relevant by-laws and statutes. I understand that personal information contained in this form will not be released to the public except as required by law; however, all associated applications and plans will be made publicly available during the development or building application process. I acknowledge that responsibility for by-law compliance rests with the owner and the owner's employees, agents and contractors. I will indemnify and save harmless the City of Vancouver, its officials, employees and agents against all claims, liabilities and expenses of every kind, in respect to anything done or not done pursuant to this application or fact sheet or ensuing permit, including negligence and/or the failure to observe all by-laws, acts or regulations.

SIGNED AT VANCOUVER, BC THIS 21 DAY OF August 2015

Signature of Applicant

Office Use Only

Date of Application: DAY: 21 MONTH: Aug YEAR: 2015

Date of Lease: DAY: 20 MONTH: Aug YEAR: 2015

Application Received By: [Signature]

Application requirements include:

- Fee of \$100.00
- Proof of Lease

City of Vancouver, Planning and Development Services
Licensing and Inspections
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 604.873.7611 fax: 604.873.7100
website: vancouver.ca

SUBLEASE

THIS SUBLEASE dated with effect August 20, 2015

BETWEEN:

LOTUSLAND MANAGEMENT SERVICES LTD., a company incorporated under the laws of the province of British Columbia and having a registered and records office at #225 – 20316 56 Avenue, Langley, British Columbia, V3A 3Y7

(the "**Sublandlord**")

AND:

LOTUSLAND CANNABIS SOCIETY (society number S-0064495), a society formed under the laws of the province of British Columbia and having a registered office at #225 – 20316 56 Avenue, Langley, British Columbia, V3A 3Y7

(the "**Subtenant**")

WHEREAS:

- A. By an offer to lease dated for reference July 29, 2015 (the "**Head Lease**"), W&W Tam (the "**Head Landlord**") leased to Lotusland Cannabis Dispensary on behalf of a Company to be incorporated as Lotusland Management Services Ltd. (the "**SubLandlord**"), upon and subject to the terms of the Head Lease, certain premises located in the building municipally known as 1952 West 4th Avenue, Vancouver, British Columbia, which premises are more particularly described in the Head Lease; and
- B. The Sublandlord and the Subtenant have agreed to enter into this Sublease in respect of the certain premises located in the building municipally known as 1952 West 4th Avenue, Vancouver, British Columbia, which premises are more particularly described in the Head Lease (the "**Sublet Premises**").

NOW THEREFORE in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the parties, the parties agree as follows:

- 1. **Capitalized Terms** – Capitalized terms used in this Sublease will have the meanings ascribed therein in the Head Lease unless otherwise defined in this Sublease.
- 2. **Grant of Sublease** – The Sublandlord hereby subleases the Sublet Premises to the Subtenant and the Subtenant subleases the Sublet Premises from the Sublandlord, for a term (the "**Sublease Term**") commencing on August 20, 2015 at 12:01 am (the

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"Commencement Date") and terminating on July 28, 2020 (unless the Term under the Head Lease and the Sublease Term under this Sublease shall be renewed or extended), upon and subject to the terms of this Sublease. Upon renewal or extension of this Sublease, the Sublease Term shall terminate on the day before the termination of the renewal or extension term under the Head Lease.

3. **Base Rent** – The Subtenant covenants to pay as base rent for the whole period of the Sublease Term commencing on the Commencement Date the sum described in section 6 of the Head Lease, per month plus applicable taxes on the 1st day of each and every month up to and including the payment due the 1st day of July, 2020 (the "**Base Rent**");
4. **Additional Rent** – The Subtenant agrees with the Sublandlord that this is a NET LEASE, and that the Subtenant shall be responsible for all expenses and costs including, without limitation, property management fees by the Sublandlord, repairs and replacement, telephone, cable, heat, hydro, property taxes, scavenging, business licences, insurance, glass and liability insurance, and water. Without limiting the generality of the foregoing, the Subtenant covenants to pay as "**Additional Rent**" during the Sublease Term, on the first of every month or within five (5) days after receiving notice from the Sublandlord or Head Landlord for the payment thereof, the following:
 - (a) taxes and business taxes, promptly when the same are due;
 - (b) the Sublandlord's proportionate share of estimated real property taxes and rates including local improvement rates assessed against the lands and building in respect of the Sublet Premises;
 - (c) the Sublandlord's proportionate share of common area maintenance and general operating costs;
 - (d) the Sublandlord's proportionate share of all utilities and services provided to the Sublet Premises and billed by the utility suppliers to the Sublet Premises including water, sewer and gas;
 - (e) PST, GST, and Workers' Compensation as required by lawful authority and otherwise within five (5) days after receiving notice thereof from the Sublandlord;
 - (f) all Additional Rent not otherwise provided for above (if any) within five (5) days after receiving notice thereof from the Sublandlord or Head Landlord; and
 - (g) all other costs, damages, or other amounts that are the responsibility of the Sublandlord under the Head Lease as amended from time to time, to the extent such costs relate to the Sublet Premises.

Base Rent and Additional Rent, collectively referred to as "**Rent**". Adjustments may be made at the end of each calendar year by the Sublandlord or Head Landlord for overpayments and underpayments of expenses, as the case may be.

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5. **Apportionment of Rent** – Rent will be considered as accruing from day to day under this Sublease. If it is necessary to calculate Rent for a period of less than one year or less than one calendar month, an appropriate apportionment and adjustment on a pro rata daily basis will be made. Where the calculation of Additional Rent cannot be made until after the expiration or earlier termination of this Sublease, the obligation of the Subtenant to pay such Additional Rent will survive the expiration or earlier termination hereof, and such amounts will be paid by the Subtenant to the Sublandlord forthwith upon demand. If the Sublease Term commences on any day other than the first day of the month or expires on any day other than the last day of the month, Rent for such fraction of a month will be adjusted, as specified, and paid by the Subtenant on the Commencement Date of the Sublease Term.
6. **Net Rent** – Rent payable under this Sublease will be net and care free to the Sublandlord, and will be payable without deduction or set-off by the Subtenant throughout the Sublease Term. All costs incurred by the Sublandlord in collecting any amounts payable under this Sublease or enforcing any right or obligation of the Subtenant under this Sublease will be payable by the Subtenant on demand and will be deemed to be Rent for all purposes from the date demand therefor is made. In addition to Rent under this Sublease, the Subtenant will remit to the Sublandlord any goods and services tax or other tax or imposition collectible by the Sublandlord for the use of the Sublet Premises by the Subtenant or goods or services provided to the Subtenant, and the Sublandlord will be entitled to exercise all remedies in respect of any failure by the Subtenant to pay such amounts as if they were Rent in arrears. From the date any Rent or other amounts payable under this Sublease are due until they are actually paid, they will bear interest at the rate of TWENTY PERCENT (20%) per annum.
7. **Delay** – The Sublandlord will not be deemed to be in default in the performance of any of its obligations in this Sublease during any period when the Sublandlord is prevented from performance by reason of being unable, using reasonable efforts (without expenditure of any funds other than reimbursement of the Head Landlord's legal costs) to obtain the consent of the Head Landlord, and neither the Sublandlord nor the Subtenant will be deemed to be in default of their respective obligations during any period when such party is prevented from performance by reason of the default of the other party, or by reason of being unable to obtain the materials, goods, equipment, service, or labour required by reason of any statute, law, bylaw, ordinance, or regulation, or by reason of any strikes, lockouts, slowdowns, or other combined action of workmen or shortages of material or any other cause beyond its control, and the time for the performance of any such obligation will be extended accordingly. The inability to perform an obligation due to lack of financial resources will not be deemed to be beyond a party's control.
8. **Liens** – If any lien or encumbrance is filed or attached against the Sublet Premises or title to the Sublet Premises, the Subtenant will, within five (5) days after notice of the lien or encumbrance, procure its discharge, failing which the Sublandlord may, at its option and in addition to any other remedies it may have under the Sublease arising out of defaults by the Subtenant, make any payments into court required to procure such discharge; and the Subtenant will promptly reimburse the Sublandlord for any payment, cost, or expense

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incurred in so doing, whether or not such lien or encumbrance was without merit or excessive.

- 9. Subtenant's Covenants** – The Subtenant acknowledges having received and read a copy of the Head Lease and covenants and agrees with the Sublandlord:
- (a) to observe and perform all of the covenants, agreements and obligations of the Tenant under the Head Lease and to be bound by the terms of the Head Lease in each case as they relate to the Sublet Premises;
 - (b) to abide by any rules and regulations governing the use of the Sublet Premises appended to the Head Lease, as the Head Lease may be amended from time to time;
 - (c) to pay Rent and perform all of the obligations of the Subtenant under this Sublease;
 - (d) not to do or omit to do any act in or around the Sublet Premises that would cause a breach of the Sublandlord's obligations as Tenant under the Head Lease;
 - (e) to promptly pay when due to the authorities having jurisdiction all taxes (whether imposed upon the Subtenant or otherwise) attributable to the personal property, trade fixtures, business, income, or occupancy of the Subtenant or any other occupant of the Sublet Premises and to any leasehold improvements or fixtures within the Sublet Premises, and to the use by the Subtenant or its officers, employees, and invitees of any of the common facilities; and
 - (f) to indemnify and save harmless the Sublandlord against and from any and all expenses, costs, damages, suits, actions, or liabilities arising or growing out of the failure of the Subtenant to perform any of its obligations under this Sublease and from all claims and demands of every kind and nature made by any person or persons to or against the Sublandlord for all and every manner of costs, damages, or expenses incurred by or injury or damage to such person or persons or his, her, or their property, to the extent that such claims or demands arise out of the use and occupation of the Sublet Premises by the Subtenant or its officers, employees, or any other person authorized or permitted by the Subtenant to be on the Sublet Premises or in or about the Sublet Premises, and from all costs, counsel fees, expenses, and liabilities incurred by reason of any such claim or any action or proceeding brought on such claim.
- 10. Subtenant's Breach** – If the Subtenant fails to perform any of its obligations herein, the Sublandlord will have all of the remedies against the Subtenant that the Head Landlord has under the Head Lease for a breach of it, whether expressly set out in the Head Lease or arising in law or equity.
- 11. Sublandlord's Covenants** – Subject to the due performance by the Subtenant of its obligations in this Sublease, the Sublandlord covenants and agrees with the Subtenant:

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- (a) for quiet enjoyment of the Sublet Premises;
 - (b) to enforce against the Head Landlord for the benefit of the Subtenant the obligations of the Head Landlord under the Head Lease that materially affect the Sublet Premises;
 - (c) to perform all of the obligations of the Sublandlord under this Sublease; and
 - (d) to perform all of the obligations of the Sublandlord under the Head Lease that materially affect the Sublet Premises, including without limitation the payment of Rent pursuant to the Head Lease.
- 12. Use** – The Sublet Premises will be used by the Subtenant solely for the purpose of a carrying out the business of a marijuana dispensary and for no other purpose.
- 13. Insurance** – The Subtenant will take out and maintain, from the Commencement Date, insurance with respect to the Sublet Premises providing for the coverages and upon the terms required in the Head Lease to be maintained by the Sublandlord. The Sublandlord and the Head Landlord will be shown as named insureds on all liability policies, with a cross-liability and severability of interest endorsement, and each property insurance policy will contain a waiver of subrogation with respect to the Head Landlord and the Sublandlord. The Subtenant releases the Sublandlord from any claim the Subtenant may have that is or would be insured against by the insurance policies that the Subtenant is required to maintain by this Sublease.
- 14. Subtenant's Assigning, Subletting, etc.** – The Subtenant shall not assign, sublet or part with or share possession of the Sublet Premises of any part thereof at any time, without the prior written consent of the Head Landlord and Sublandlord. The Subtenant agrees that with respect to any assigning or subletting by it, the provisions of the Head Lease apply with the following amendments:
- (a) each reference to the Landlord, the Tenant, the Lease and the Leased Premises will become, respectively, the Sublandlord, the Subtenant, the Sublease, and the Sublet Premises;
 - (b) any references to a period of days will be extended by two (2) days; and
 - (c) the Sublandlord will have the additional right to withhold and/or delay its consent to such assignment or sublease if it has not received the prior written consent of the Head Landlord.
- 15. Change of Control of Subtenant** - If at any time during the term of the Sublease or any extension or renewal thereof, there is any change in the board of directors of the Subtenant without the prior written consent of the Sublandlord, which consent may be unreasonably withheld, when and so often as such a change of directors shall occur, the Sublandlord shall have the right to terminate this Sublease at any time after such change of directors by giving the Subtenant SIXTY (60) days' prior written notice of such

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termination. The Subtenant shall, upon request by the Sublandlord make available to the Sublandlord from time to time for inspection and copying all books and records of the Subtenant which alone or with other data show the applicability or otherwise of this subclause.


16. **Exercise of Rights** – The determination of any state of facts, the promulgation of any rules or regulations, or the taking of any other action or exercise of any other rights under the Head Lease that is permitted to the Head Landlord will, upon written notice to the Subtenant of such action or exercise, be binding upon the Subtenant and the Sublet Premises.
17. **Paramountcy of Head Lease** – The Subtenant acknowledges and agrees that it has no greater interest in the Sublet Premises than the Sublandlord under the Head Lease. To the extent that any right or benefit conferred by this Sublease contravenes or is incompatible with the Head Lease, such right or benefit will be amended or modified so as not to contravene or be incompatible with the Head Lease.
18. **Notices** – All notices, consents, and approvals permitted or required to be given under this Sublease will be in writing and will be delivered to the Sublandlord or the Subtenant, as the case may be, at the addresses shown on page 1 of this Sublease or such other place as either party may designate by notice given in accordance with this section 18. Any notice so made will be deemed to have been given and received on the date of delivery on a business day to an adult person on the Sublet Premises.
19. **Successors and Assigns** – Except as otherwise provided in this Sublease, all of the rights and obligations of a party enure to the benefit of and are binding upon the successors and assigns of that party.
20. **Further Assurances** – Each party agrees to execute such further assurances as may be reasonably required from time to time by any other party to more fully effect the true intent of this Sublease.
21. **Waiver** – No waiver by the Sublandlord of a condition or the performance of an obligation of the Subtenant under this Sublease binds the Sublandlord unless in writing and executed by it, and no waiver given by the Sublandlord will constitute a waiver of any other condition or performance by the Subtenant of its obligations under this Sublease in any other case.
22. **Sublease Execution and Head Landlord's Consent** – This Sublease and all subsequent amendments to this Sublease are only binding on the Sublandlord and the Subtenant respectively, if in writing and executed by authorized signatories for the Sublandlord and the Subtenant and if executed copies of this Sublease have been delivered to each party. The parties agree to use their commercially reasonable efforts to obtain the consent of the Head Landlord to this Sublease, and to provide all such information and assurances (other than third-party guarantees or covenants or additional security) as the Head Landlord may reasonably require in this regard.

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- 23. **Governing Law** – This Sublease will be governed in accordance with laws applicable in the province of British Columbia, and the parties irrevocably submit to the non-exclusive jurisdiction of the courts of British Columbia.
- 24. **Counterparts** – This Sublease may be executed by the parties in counterpart, and the counterparts may be delivered by electronic transmission.


IN WITNESS WHEREOF the parties have duly executed this Sublease as of the date set out above.

LOTUSLAND MANAGEMENT SERVICES LTD.

Per: 

Authorized Signatory

LOTUSLAND CANNABIS SOCIETY

Per: 

Authorized Signatory

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PLANNING AND DEVELOPMENT SERVICES
 Mailing Address:
 453 West 12th Avenue, Vancouver BC V5Y 1V4
 tel: 604.873.7611

Development and / or Building Application Form

20 June DP 160018

620 #

To help expedite submission of your application, please fill out BOTH sides of this Information sheet prior to attending the Application Preview counter located in the Development and Building Services Centre, Ground Floor, 515 West 10th Avenue (West Annex, City Hall).

JOB LOCATION (Correct and complete addressing is important. Complete this section carefully.)

Address: 1952 West 4th Specifics: _____

Floor Level: _____ Suite No: _____

Legal Description:

Lot(s) 8 Block(s) 246 District Lot(s) 526 Plan Number(s) 590

Are you aware of the presence of any contaminated soils on the subject property? Yes No

Are you aware of the existence of any contaminated soils studies, reports, soil agreements, or Ministry of Environment orders or letters with respect to the subject property? Yes No

Is the building being converted to strata-title ownership? Yes No

Note: If you intend to convert an existing building to strata title ownership, please contact Subdivision and Strata Title staff at 604.871.6627 for information on the strata conversion process in advance of the issuance of any permits.

This area must be completed by the person signing the application form

Your Name: Shane Escher

Mailing Address: 1952 West 4th

City: Vancouver Postal Code: V6J 1M5

E-mail Address: midnightrun@live.ca

Phone Number: 6047048181 Fax Number: _____

Company Name: Lotusland Cannabis Society

Business License Account Number: S-0064495

You are the:

01 Property Owner
 02 Contractor
 03 Certified Professional
 04 Design Professional
 05 Tenant
 06 Agent for Owner
 07 Agent for Tenant
 08 Consultant
 09 Non-profit Association
 Cert. No: _____
 10 Civic Department
 98 Other

Note: Contractors/design professionals/consultants **MUST** have a valid Business License to do work in the City of Vancouver. You may obtain current business license account numbers from the Business License Counter.

Complete the following for ALL applications

Property Owner's Name: William Leung Chow

Address: _____ City: _____

Postal Code: _____ Phone Number: _____

Is the owner aware of this application? Yes No

Contractor's Name:

Address: _____ City: _____

Postal Code: _____ Phone Number: _____

Business License Account Number: _____

Tenant's Name:

Address: _____ City: _____

Postal Code: _____ Phone Number: _____

Job Contact:

Address: _____ City: _____

Postal Code: _____ Phone Number: _____

Qualified Professional Contact Name (required for Salvage & Abatement):

Address: _____ City: _____ Postal Code: _____

Phone Number: _____ Business License Account Number: _____

TITLE SEARCH PRINT

File Reference: 3458-002

Declared Value \$78700 1/5TH

2015-08-21, 09:33:16
Requestor: Alanna Llewellyn

****CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN****

Land Title District VANCOUVER
Land Title Office VANCOUVER

Title Number BG441237
From Title Number R93061
R93065

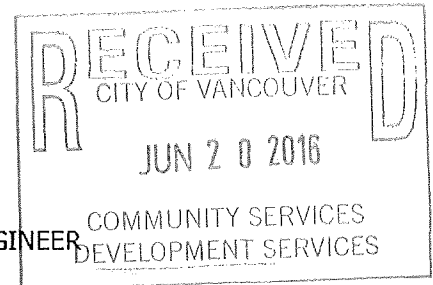
BE 419575

Application Received 1993-12-07

Application Entered 1993-12-17

Registered Owner in Fee Simple
Registered Owner/Mailing Address:

WILLIAM LEUNG CHOW TAM, ENGINEER
635 WEST 51ST AVENUE
VANCOUVER, BC
V6P 1B9
AS TO AN UNDIVIDED 2/5 INTEREST



Taxation Authority CITY OF VANCOUVER

Description of Land

Parcel Identifier: 008-416-231

Legal Description:

LOT 8, EXCEPT THE NORTH 7 FEET NOW ROAD, BLOCK 246 DISTRICT LOT 526 PLAN 590

Legal Notations

NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE BN22329
FILED 1999-01-28

Charges, Liens and Interests NONE

Duplicate Indefeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE



Property Inquiry

Aug 21, 2015 09:30:05 AM

Vancouver Property Info Report

Ref #: 21-Aug-15

1952 4TH AVE W

Folio: 640-095-46-0000 LTO Number: BG441244

PID: 008-416-231 MHR Number:

Status: Active Property No: 1989185

Legal: LOT 7 TO 10, BLOCK 246, PLAN VAP590,
DISTRICT LOT 526, NEW WESTMINSTER LAND DISTRICT.

Taxable Assessment Details

Year	Value Set	Assessment Class		Land	Improvements	Total
2015	GENERAL	6-Business/Other	GROSS	6,431,000	19,100	6,450,100
2015	GENERAL	6-Business/Other	EXEMPT	0	10,000	10,000
2015	GENERAL	6-Business/Other	NET	6,431,000	9,100	6,440,100
2015	SCHOOL	6-Business/Other	GROSS	6,431,000	19,100	6,450,100
2015	SCHOOL	6-Business/Other	EXEMPT	0	10,000	10,000
2015	SCHOOL	6-Business/Other	NET	6,431,000	9,100	6,440,100
2015	TRANSIT	6-Business/Other	GROSS	6,431,000	19,100	6,450,100
2015	TRANSIT	6-Business/Other	EXEMPT	0	10,000	10,000
2015	TRANSIT	6-Business/Other	NET	6,431,000	9,100	6,440,100
2015	HOSPITAL	6-Business/Other	GROSS	6,431,000	19,100	6,450,100
2015	HOSPITAL	6-Business/Other	EXEMPT	0	10,000	10,000
2015	HOSPITAL	6-Business/Other	NET	6,431,000	9,100	6,440,100
2014	GENERAL	6-Business/Other	GROSS	5,250,000	19,100	5,269,100
2014	GENERAL	6-Business/Other	EXEMPT	0	10,000	10,000
2014	GENERAL	6-Business/Other	NET	5,250,000	9,100	5,259,100
2014	SCHOOL	6-Business/Other	GROSS	5,250,000	19,100	5,269,100
2014	SCHOOL	6-Business/Other	EXEMPT	0	10,000	10,000
2014	SCHOOL	6-Business/Other	NET	5,250,000	9,100	5,259,100
2014	TRANSIT	6-Business/Other	GROSS	5,250,000	19,100	5,269,100
2014	TRANSIT	6-Business/Other	EXEMPT	0	10,000	10,000
2014	TRANSIT	6-Business/Other	NET	5,250,000	9,100	5,259,100
2014	HOSPITAL	6-Business/Other	GROSS	5,250,000	19,100	5,269,100
2014	HOSPITAL	6-Business/Other	EXEMPT	0	10,000	10,000
2014	HOSPITAL	6-Business/Other	NET	5,250,000	9,100	5,259,100
2013	GENERAL	6-Business/Other	GROSS	5,057,333	19,100	5,076,433
2013	GENERAL	6-Business/Other	EXEMPT	0	10,000	10,000
2013	GENERAL	6-Business/Other	NET	5,057,333	9,100	5,066,433
2013	SCHOOL	6-Business/Other	GROSS	5,057,333	19,100	5,076,433
2013	SCHOOL	6-Business/Other	EXEMPT	0	10,000	10,000
2013	SCHOOL	6-Business/Other	NET	5,057,333	9,100	5,066,433
2013	TRANSIT	6-Business/Other	GROSS	5,057,333	19,100	5,076,433
2013	TRANSIT	6-Business/Other	EXEMPT	0	10,000	10,000
2013	TRANSIT	6-Business/Other	NET	5,057,333	9,100	5,066,433
2013	HOSPITAL	6-Business/Other	GROSS	5,057,333	19,100	5,076,433
2013	HOSPITAL	6-Business/Other	EXEMPT	0	10,000	10,000
2013	HOSPITAL	6-Business/Other	NET	5,057,333	9,100	5,066,433

May 19, 2016

Gary Davis
1952 W. 4th Avenue
Vancouver, BC
V6J 1M5

Dear Mr. Davis:

RE: Development Application Number DE419575

In October 2015, you were advised that your preliminary application for a Medical Marijuana-Related Use at 1952 West 4th Avenue is within 300 metres of at least one other application and must be evaluated using the four declustering criteria defined in the City's Licence Bylaw.

The evaluation for your application was completed and received the same number of demerits as at least one other application in your cluster. Accordingly, your cluster was decided by random draw. Your application was the successful selection at the draw, and now you may proceed in the permits and licensing process at your current location.

The next step for your application is to submit a full development permit application. Please use the attached checklist to prepare application, and submit the application and fee to the Development and Building Services Centre. For more information about the process, and for sample application materials, please visit vancouver.ca/medical-marijuana-business. The time required to complete the development permit process varies, based on the complexity of the application.

You must submit your development permit application by 4:30 pm, **Friday, June 17, 2016** for your application to remain active. The time required to complete the development permit process varies, based on the complexity of the application.

You may continue to operate your business provided you meet the application deadlines within this letter. During this time, you must demonstrate exemplary business practices that include at a minimum:

- No smoking, dabbing, vaping, vapourizing or use of e-cigarettes on site.
- No display or sale of edibles other than oils, tinctures or capsules.
- No minors on site, or advertising to minors.
- No neighbourhood disturbance.

DOC/2016/156837

City of Vancouver,
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7100
website: vancouver.ca



The City will be increasing inspections of medical marijuana-related businesses and any found in violation of the above practices will be subject to enforcement action and possible closure.

If you have any questions, or to book an appointment for application intake, please contact John Freeman at 604.873.6076, john.freeman@vancouver.ca

Yours truly,



Andreea Toma, P.Eng.
Chief Licence Inspector
Director, Licensing, Property Use Inspections
& Animal Services



John Greer
Assistant Director
Development Review Branch

AT/

May 4, 2016

Gary Davis
1952 W. 4th Avenue
Vancouver, BC
V6J 1M5

Dear Mr. Davis:

RE: Development Application Number DE419575 - 1952 W. 4th Avenue

Your preliminary application for a medical marijuana-related retail use (MMRU) at 1952 W. 4th Avenue has been reviewed and is within 300 metres of four other preliminary MMRU applications.

The License By-law states that in such cases, the Chief Licence Inspector will use the four criteria set out in the License By-law to evaluate and assign points to each location in a cluster. Only the application with the fewest points will be eligible to apply for a full development permit and business licence at that location; the others must close. In the event of a tie, the cluster will be decided based on a random draw.

The evaluation for your application is complete and it received the same number of demerits as the applications for #206 -1540 W. 2nd Avenue, 1812 W. 4th Avenue, 1864 W. 4th Avenue and 1712 W. 4th Avenue. Accordingly, your cluster will be decided by random draw. The draw details are as follows:

Date: Wednesday, May 11, 2016

Time: 3:30pm

Location: Development Services and Building Centre, 515 W. 10th Avenue

As the applicant, you are invited to observe the random draw and you may bring one additional attendee. Please bring this letter and photo identification and check in with Security on the ground floor of the building. If you cannot attend in person, you may send one alternate in your place. Your alternate must present this letter in order to attend the draw.

If you have questions regarding the draw or your application, please contact John Freeman at 604.873.6076.

City of Vancouver, Community Services
Licensing, Property Use Inspections and Animal Services
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7100
website: vancouver.ca



Yours truly,

A handwritten signature in black ink, appearing to read 'Andreea Toma', with a stylized, cursive script.

Andreea Toma, P.Eng.
Chief Licence Inspector

AT/mv



Property Use Inspection Report

IR Number	UI 56992	EN Number	EN 111874	Date of Inspection (yyyy/mm/dd)	2016/01/06
Main Address	1970 W 4th		Specifics and/or Suite #	1952 W 4th	
Secondary Address					
Tenant	Gary Davis DBA: Lotusland Cannabis Society		Number of Storeys		
Owner	ppty Owner: William & Wing, TAM		Permit Number	DE419575 (preliminary)	
Agent			Approved Use of Building/Land	retail	
District Zone	C-2B		Present Use of Building/Land	vacant	
Business License	pending				

Reason for Inspection Request for information

Narrative/Observations

Inspection on Jan. 06, 2016 @ 2:16PM and Jan. 08, 2016 @ 4:20PM revealed that the premises was closed and Locked. Windows and door were covered with paper. No merchandise was displayed and no signage. Lights Were off.

Requirements

Recommendations

File.

Photos Taken? Yes No

Date Report Made: January 11, 2016

John Tong
Inspector's Name

For Manager or Supervisor Use Only

File: Approval / Use Enforcement Project / Permit

FYA to:

FYI to: Sarah Hicks; Mayna Vancaillie

Sy Jung
Manager / Supervisor

Photo	Description
	<p>Front window and entrance covered with flyer and paper.</p>
	<p>No merchandise display.</p>

October 9, 2015

Mr. Gary Davis
Lotusland Cannabis Society
1952 West 4th Avenue
Vancouver, BC V6J 1M5

Dear Mr. Davis:

RE: Development Application Number DE419575

Your preliminary application for a medical marijuana-related retail use (MMRU) at 1970 West 4th Avenue (specific address: 1952 West 4th Avenue) has been reviewed and is within 300 metres of at least one other preliminary MMRU application.

Section 11.28.2 of the Zoning and Development By-law states, “a Medical Marijuana-related Use is not permitted within 300 metres of the nearest property line of a site containing another Medical Marijuana-related Use.” Therefore your application, and all of the other applications in your cluster, will be reviewed and scored using the declustering criteria set out in the License By-law.

In each cluster, the application with the fewest demerits can continue in the permits and licencing process at that location. The other applications in the cluster will have a period of time to close or to reapply with a different location that meets all Zoning and Development By-law requirements, including the 300 metre minimum distance requirement from other MMRUs.

Next Steps for Your Application

The next steps for your application are:

1. Request a Special Inspection of the premises.

Bring this letter and the property owner’s written consent to inspection to the Development and Building Services Centre. The Centre is located on the 1st Floor of 515 West 10th Avenue and is open from 8:30 a.m. to 4:30 p.m. Monday/Wednesday/Friday and 8:30 a.m. to 4:00 p.m. Tuesday/Thursday. City staff will log your inspection request and a building inspector will contact you shortly to book the inspection. The Special Inspection fee is \$326 + GST, payable by cash, credit or debit at the time of application.

The purpose of the Special Inspection is to determine if the space complies with City by-laws. The inspector will require full access to the space and all areas associated with entrances and exits to your location.

You must request your Special Inspection by **4:30 p.m., Friday, October 23, 2015** for your application to remain active.

2. Submit a Police Information Check - Vulnerable Sector.

A Police Information Check (PIC) - Vulnerable Sector for the applicant(s) will be one of the items used to assess the history of business practices for each application. To obtain a PIC, complete the attached application form and bring the form, this letter, and two pieces of current government-issued ID (one with photo) to the VPD Cambie Public Service Unit at 2120 Cambie Street between 8:00 a.m. and 5:00 p.m, Monday to Sunday. The PIC fee is \$70 + GST, payable by cash, credit or debit at the time of application.

The PIC must be dated after **October 1, 2015**. Once you obtain the PIC, submit it to Reception at the Development and Building Services Centre in an envelope marked Attention: Deputy Chief Licence Inspector. You must submit your PIC by **Friday, November 6, 2015**, for your application to remain active.

Please do not have your staff obtain PICs at this time; you will be notified when staff PICs are required later in the licencing process.

3. Submit Proof of Compassion Club Status (if applicable).

If you would like to be considered as a Compassion Club for the purposes of the declustering evaluation, you must provide:

- Proof of registration under the Society Act.
- Proof of Trade Association membership in the Canadian Association of Medical Cannabis Dispensaries (CAMCD).
- The name, contact information, and governing professional body for each of the professionals that will provide health care services to society members.
- A copy of the society's constitution and by-laws.

You must submit all of the above materials to Reception at the Development and Building Services Centre in an enveloped marked Attention: Deputy Chief Licence Inspector by **Friday, November 6, 2015**, or your application will be considered a Retail Dealer for the purposes of the declustering evaluation.

The Declustering Process

Once your Special Inspection is complete and you have submitted the required information, *City staff* will evaluate and score your application using four declustering criteria defined in the License By-law (s. 12.2 (30b) and s. 24.5(24b)). The table below shows the declustering criteria and demerits for each.

Declustering Criteria	Scoring
1. Is the applicant a Compassion Club, as defined by the License By-law?	No = +10 demerits
2. Has the City received more than one substantive complaint, from more than one complainant, in the previous 12 months?	Yes = +2 demerits
3. Has work been done on the business premises without a permit?	Yes = +3 demerits
4. Does the applicant have a history of poor business practices (e.g. by-law infractions, VPD enforcement action)?	Yes = +4 demerits

There will be an opportunity for you to review and comment on the declustering evaluation for your site before it is finalized.

In each cluster, the application with the fewest demerits can continue in the permits and licencing process at that location. The other preliminary development permit applications in the cluster will be refused. If your application is refused, you will have three options:

1. Secure an alternate business location that complies will all Zoning and Development By-law requirements and reapply before the deadline set in the refusal letter.
2. Appeal the development permit refusal to the Board of Variance within 30 days of refusal.
3. Close.

Opting Out Of the Declustering Process

If you would prefer not to complete the Special Inspection and declustering steps, you may withdraw your preliminary development permit application. You will have six months from the date of withdrawal to submit a complete development permit application at an alternate location that meets all Zoning and Development By-law requirements. To withdraw, contact the Project Facilitators listed at the bottom of this letter.

Please note that if you fail to meet any of the deadlines in this letter, your application will not proceed to declustering evaluation. In this case, your preliminary development permit application will be refused and you have six months to submit a complete development permit application at an alternate business location that meets all Zoning and Development By-law requirements.

Starting November 2, 2015, you can request a zoning check on potential alternate locations by emailing the property addresses to medical.marijuana@vancouver.ca

Business Operations during Inspections and Evaluation

If you have not opened a retail business at the address of your application by **October 9, 2015**, you may not open before you obtain a business licence. If you were already operating by October 9, 2015, you may continue to do so provided you meet the application deadlines within this letter and demonstrate exemplary business practices that include at a minimum:

- No smoking, dabbing, vaping, vapourizing or use of e-cigarettes on site.
- No display or sale of edibles other than oils, tinctures or capsules.
- No minors on site, or advertising to minors.
- No neighbourhood disturbance.

The City will be increasing inspections of medical marijuana-related businesses and any found *in violation of the above practices* will be subject to enforcement action and possible closure.

If you have any questions, please contact Phoebe Stewart at phoebe.stewart@vancouver.ca, or John Freeman at john.freeman@vancouver.ca

Yours truly,

A handwritten signature in black ink, appearing to be 'J Greer', written in a cursive style.

John Greer
Assistant Director

Att. (1)

MMRU De-Cluster Evaluations

Cluster # 16

DE: DE419427

Date: 11-Jan-16

Applicant: Andrea Dobbs

Location: 206-1540 W 2nd Ave

Reviewed By: Sarah Hicks

By-law Criteria	Evidence Used	Possible Demerits	Demerit Awarded
Non-Compassion Club	-Society Act Registration -Trade Association membership in CAMCD -Constitution and By-Laws for Society -Health Services, providers, qualifications and contact info	10	0
History of Complaints	>1 Complaint by >1 complainant in previous 12 months	2	0
Existing Work Without Permit	Special Inspection Report	3	0
History of poor business practice	-Location considered a problem premise By the VPD -Continued By-law infractions	4	0
Total		19	0
Notes:	<p>Location is a society and submitted all required information. At the time of inspection, the location was occupied by MMRU applicant and they were operational. There was no work without permit. There are no complaints on file. The VPD do not have any current concerns with the location or the applicant.</p> <p>Applicant had been operating both a Ltd Food Service and a dispensary at one point in time however it was confirmed by PUI inspection on Dec 11, 2015 they had stopped operating the Ltd Food Service. They did have self serve coffee available.</p>		

LEASE

THIS LEASE dated for reference the 1st day of February, 2015 is made and entered into by the Landlord and Tenant named herein who, in consideration of the rents and covenants herein contained, agree as follows:

ARTICLE 1 - BASIC TERMS AND DEFINITIONS

1.1 Basic Terms.

The basic terms of this Lease are as follows:

- (a) (i) **Landlord:** 206-1540 W. Ave Holdings Ltd.
 - (ii) **Address of Landlord:** 1755 Edgewater Lane
North Vancouver, BC V7H 1T3
mackoffmanagement@shaw.ca
 - (iii) **Telephone:** 604.990.0045
 - (b) (i) **Tenant (legal name):** The Village Collaborative Inc.
 - (ii) **Address of Tenant:** 2631 Triumph St., Vancouver, BC
V5K1S9
 - (iii) **Telephone:** 604.317.5759
 - (c) **Premises:** 206-1540 W. 2nd Ave, Vancouver
 - (d) **Parcel Identifier Number:** 025-151-339
 - (e) **Term:** 3 Years and 1 Month
 - (f) **Commencement Date:** February 1, 2015
 - (g) **Expiry Date:** February 28, 2018
 - (h) **Basic Rent:** \$87,374.00
- | <u>Period</u> | <u>Monthly
Basic Rent</u> | <u>Annual
Basic Rent</u> |
|-----------------------|-------------------------------|------------------------------|
| 1 Feb 15 to 28 Feb 15 | \$0 | \$ |
| 1 Mar 15 to 30 Apr 15 | \$1,000.00 | |
| 1 May 15 to 31 Dec 15 | \$2,511.00 | |
| 1 Jan 16 to 28 Feb 18 | \$2,511.00 | \$30,132.00 |
- (i) **Permitted Use:** Retail Sales and Medical Marijuana
Dispensary as may be permitted within
the By-Laws of the City of Vancouver
and the Strata Corporation
 - (j) **Security Deposit:** \$7,282.74
 - (k) (i) **Indemnifier:** Jeremy Paul Jacob
 - (ii) **Address of Indemnifier:** 2631 Triumph St., Vancouver, BC
V5K1S9
 - (iii) **Telephone:** 604 317.5759

206-1540 W. 2nd Ave, Vancouver, BC V5K1S9



IN WITNESS WHEREOF the parties hereto have duly executed and delivered this Lease as of the day and year first above written.

By the Landlord:

286-1540 W. Ave Holdings Ltd.

By: 
Authorized Signatory


By the Tenant:

The Village Collaborative Inc.

By: 
Authorized Signatory

By the Indemnifiers:


Jerome Jacob

Witnessed by Rod Mackey
on January 27, 2015


ADDENDUM ATTACHED TO AND FORMING PART OF A FEBRUARY 1, 2015 LEASE
REGARDING MATTERS INCLUDING PARKING AND RENEWAL OPTION

The Terms of the Lease and Indemnity Agreement shall apply to this Addendum.

Upon the parking stall, Strata Lot 3, ceasing to be used by its current licensee, the Tenant shall have the option of renewing the same for the term of the Lease at a gross rent of \$100 per month plus GST. The rent for the stall upon any extension shall be as regulated by the Landlord and Tenant, provided the same shall not be less than the greater of market rent of \$100 per month.

The Tenant and the Indemnifier shall have a single option to renew the Lease for an additional term of three years provided the Landlord is given notice in writing of the exercise of the option not less than six months prior to the expiration of the term. The basic rent during the new term shall be the greater of \$32,400 per year or market rent. In the event of a dispute as to the market rent, the same shall be settled in accordance with the Commercial Arbitration Act.

All the expiration of the Lease, in the event that the Tenant shall fail to return to the Landlord the key to the premises, or the key to the refuse facility, the Tenant shall pay to the Landlord \$50 for each such key as liquidated damages. In the event the Tenant shall fail to return to the Landlord the parking fob, the Tenant shall pay to the Landlord \$100 as liquidated damages.

The Landlord represents to the Tenant that the only Additional Rent of which it is aware as at the date hereof, is a monthly base of \$593.67 per month and strata fees of \$127.51 per month. The Tenant shall pay to the Landlord \$920.00 per month commencing May 1, 2015, and the Additional Rent shall be adjusted periodically.

The Landlord is currently a "small trader" for the purposes of Canada & Services Tax, so that no GST is currently payable. However, upon notice by the Landlord to the Tenant that the Landlord is applying for GST registration, the Tenant shall pay to the Landlord GST as otherwise provided within the Lease and this Addendum.

Tenant's initials & signature
Witnessed on Jan. 27, 2015
by Rod McKay

Landlord 
Tenant 
Indemnifier 



Planning and Development Services
License and Inspections

Mailing Address: 453 W 12th Avenue
Vancouver, BC, V5Y 1V4

DE419427

**Development Permit
Preliminary Application (Stage 1):
Retail Dealer - Medical Marijuana-related
Use Application Form**

Application location (complete and correct address is important. Complete this section carefully).

Address: 1540 W 2nd AVE Specifics: _____

Floor Level: COURT Suite No: 206

Legal Description: STRATA LOT 53 SUITE# 206 OF STRATA PLAN 4510

Lot(s): _____ Block(s): _____ District Lot(s): _____ Plan Number(s): _____

This area must be completed by the person signing the Preliminary Application Form.

Your Name: ANDREA DOBBS

- You are the
- Tenant
 - Agent for Tenant
 - Non-profit Association
- Cert. No: _____

Mailing Address: _____
(if different from above)

City: VANCOUVER Postal Code: V6J 1A2

E-mail Address: andrea.thevillage@gmail.com

Phone Number: 778-379-6008

Business Name: THE VILLAGE DISPENSARY

As owner or owner's agent, I have verified that the information contained within this document and associated applications and plans is correct, and describes a use, a building or a work which complies with all relevant by-laws and statutes. I understand that personal information contained in this form will not be released to the public except as required by law; however, all associated applications and plans will be made publicly available during the development or building application process. I acknowledge that responsibility for by-law compliance rests with the owner and the owner's employees, agents and contractors. I will indemnify and save harmless the City of Vancouver, its officials, employees and agents against all claims, liabilities and expenses of every kind, in respect to anything done or not done pursuant to this application or fact sheet or ensuing permit, including negligence and/or the failure to observe all by-laws, acts or regulations.

SIGNED AT VANCOUVER, BC THIS 11 DAY OF Aug 2015

Signature of Applicant

Office Use Only

Date of Application: DAY: 11 MONTH: AUG YEAR: 2015

Date of Lease: DAY: 1 MONTH: FEB YEAR: 2015

Application Received By: PHOEBE STEWART

Application requirements include:

- Fee of \$100.00
- Proof of Lease

DE419427

CITY OF VANCOUVER

DATE ISSUED MAY 20, 2016		PERMIT TYPE DEVELOPMENT PERMIT REFUSAL				REFUSAL NUMBER R DE 419427	
LEGAL DESCRIPTION STRATA PLAN LMS4510 DL 526 GROUP 1 NEW WESTMINSTER DISTRICT					ADDRESS 1540 W 2ND AV		
ADDITIONAL ADDRESS INFORMATION					SPECIFICS #206		
APPLICATION DATE AUG 11, 2015	PURPOSE CHANGE USE	PROJECT VALUE	ASSESSED VALUE	PLANS 1	METRIC NO	PLACE NAME	
TEMPORARY BUILDING DATES		TEMPORARY USE DATES		SUBTYPE			
COMPLEXITY 020 C/E/R/S CHG USE					CO-ORDINATE		
APPLICANT TENANT ANDREA DOBBS THE VILLAGE DISPENSARY #206-1540 W 2ND AVE VANCOUVER BC V6J 1H2			CONTACT 2		CONTACT 3		
TEL 778-379-6008	BUS.LICENSE CERTIFICATE	TEL FAX	BUS.LICENSE CERTIFICATE	TEL FAX	BUS.LICENSE CERTIFICATE		
<p>THE APPLICATION SUBMITTED WITH PLANS TO:</p> <p style="text-align: center;">Preliminary development permit application to change the use of this space to Medical Marijuana Related-Use.</p>							
<p>AND IS REFUSED FOR THE FOLLOWING REASONS:</p> <p>009 The proposed use is unsatisfactory at this location.</p>							
PROPOSED USE R55 MED MARIJUANA-REL	SPECIFICS/LOCATION	AREA (SF)	OCC	PROPOSED USE	SPECIFICS/LOCATION	AREA (SF)	OCC
ITEM 0040 PROCESSED THROUGH 0041 BY-LAW PROVISION	SPECIFICS/REFERENCE 32 PROC CTR -MCR DE C CONDITIONAL	QTY/AMT		ITEM 0080 ZONE 0089 WEATHER PROTECTION	SPECIFICS/REFERENCE 2032 C-2B WP01 WEATHER PROTECTION	QTY/AMT	
<p>ADDITIONAL NOTES:</p> <p>965 SEE SECTION 573 OF THE VANCOUVER CITY CHARTER AND THE BOARD OF VARIANCE BY-LAW FOR APPEALS TO THE BOARD OF VARIANCE.</p> <p>ANY APPEAL MUST BE FILED ON THE OFFICIAL NOTICE OF APPEAL FORM WITHIN 30 DAYS FROM THE DATE OF THIS REFUSAL. APPOINTMENTS WILL BE TAKEN TO FILE A NOTICE OF APPEAL BY THE SECRETARY FOR THE BOARD OF VARIANCE AT TELEPHONE 604-873-7723.</p>							
FEE		AMOUNT	FEE	AMOUNT	SIGNED BY		
200 DEV SCHED 9		100.00			ANDREA DOBBS		
					DATE		
					SEE INFORMATION SHEET		
					HANDLED BY		
					K PRINGLE		
					FOR THE		
					DIRECTOR OF PLANNING & DEV		
INVOICE : 785292				TOTAL	\$100.00		

BUILDING PERMIT APPLICATION NOTICE

THE APPLICANT IS ADVISED OF THE FOLLOWING

An application for a Building Permit has not been completed within 6 months after the date of filing, or within 6 months of the last substantial activity with respect to the application, the application shall be deemed to have lapsed.

The City Building Inspector may refuse to issue any Building Permit

- (a) whenever information submitted is inadequate to determine compliance with the provisions of the Building By-law,
- (b) whenever incorrect information is submitted,
- (c) that would authorize any building work or occupancy that would not be permitted by the Building By-Law, or
- (d) that would be prohibited by any other by-law, act or regulation.

DEVELOPMENT PERMIT NOTICE

1. The issuance of this development permit does not absolve the owner or applicant from compliance with all relevant City by-laws, or from obtaining all other required City permits such as building, plumbing, gas, electrical, boulevard and sidewalk crossing (street occupancy), sewer and water, etc.
2. The Director of Planning may, without requiring a new development permit application, approve amendments of a minor nature to the development as approved by this permit. See the Zoning and Development By-law for further information.
3. This development permit is valid for 12 months only from the date issued unless the development as approved shall have meantime commenced, or a building permit has been issued and is unexpired in which case the Development Permit is valid for 24 months only from the date issued. For Extensions or Renewals see the Zoning and Development By-law.

FOR FURTHER INFORMATION - Please enquire at:

Enquiry Centre
Community Services Group - Development Services
East Wing, City Hall
Vancouver, B.C.
Tel: 604-873-7611

BUILDING PERMIT NOTICE

THE APPLICANT IS ADVISED OF THE FOLLOWING:

For information on limitation on times of work in which noise is created, see the Noise By-law or contact the Licenses & Inspections Department of the Community Services Group.

The Building Permit Job Card must be posted on the job and plans stamped with the Development Services Department Approval must be on site and available to the City Building Inspector at the time of each inspection. No deviation from the plans or Building Permit shall be made without the written approval of the City Building Inspector.

It is the owner's responsibility to establish the property lines of the site; the City Building Inspector may, if he deems it necessary, require the owner to furnish a survey of the site certified by a British Columbia Land Surveyor.

BUILDING PERMIT NOTICE continued

The City Building inspector may revoke a Building Permit if

- (a) there is a contravention of any condition under which the Building Permit was issued.
- (b) the Building Permit was issued in error, or
- (c) the Building Permit was issued on the basis of incorrect information.

A Building Permit shall expire and the right of an owner under the Building Permit shall terminate if

- (a) the work authorized by the Building Permit is not commenced within 6 months from the date of issuance of the Building Permit and actively carried out thereafter, or
- (b) work is suspended for a period of 6 months.

No Building Permit fees or part thereof paid to the City shall be refunded if

- (a) construction authorized by a Building Permit has commenced, or
- (b) the Building Permit has expired or lapsed.

Office Use			Notes		
ENGINEERING DEPARTMENT					
SENT TO ENG DEPT		DATE	TIME	SITE DIMENSIONS	
COMMENTS RETURNED TO DS DEPT		DATE	TIME		
DEVELOPMENT PERMIT - HOLD <input type="checkbox"/>		CLEAR <input type="checkbox"/>		COMMENTS DEVELOPMENT PERMIT - HOLD, SEE MEMO	
ENGINEERING DEPT - DO NOT HOLD IN ENGINEERING DEPT FOR BUILDING PERMIT HOLD ONLY					
BUILDING PERMIT - HOLD <input type="checkbox"/>		CLEAR <input type="checkbox"/>			
DATE CLEARED		SIGNATURE			
ZONING					
ITEM	REMARKS		INITIALS	DATE	
REZONING					
SUBDIVISION					
STUDY AREAS					
ENTERED ON INDEX MAP					
INDEX MAP NO					
BY					
PLANNING DEPARTMENT -- NEW SUBDIVISION ONLY					
PERMIT (HOLD UNTIL NEW SUBDIVISION REGISTERED IN LAND TITLES OFFICE)		HOLD <input type="checkbox"/>		CLEAR <input type="checkbox"/>	
REGISTRATION NO _____		DATE CLEARED			
		SIGNATURE			

CITY OF VANCOUVER

DATE ISSUED MAY 20, 2016		PERMIT TYPE DEVELOPMENT PERMIT REFUSAL				REFUSAL NUMBER R DE 419427	
LEGAL DESCRIPTION STRATA PLAN LMS4510 DL 526 GROUP 1 NEW WESTMINSTER DISTRICT					ADDRESS 1540 W 2ND AV		
ADDITIONAL ADDRESS INFORMATION					SPECIFICS #206		
APPLICATION DATE AUG 11, 2015	PURPOSE CHANGE USE	PROJECT VALUE	ASSESSED VALUE	PLANS 1	METRIC NO		
TEMPORARY BUILDING DATES		TEMPORARY USE DATES		SUBTYPE			
COMPLEXITY 020 C/E/R/S CHG USE					CO-ORDINATE		
APPLICANT TENANT ANDREA DOBBS THE VILLAGE DISPENSARY #206-1540 W 2ND AVE VANCOUVER BC V6J 1H2				CONTACT 2		CONTACT 3	
TEL 778-379-6008 FAX	BUS.LICENSE CERTIFICATE	TEL FAX	BUS.LICENSE CERTIFICATE	TEL FAX	BUS.LICENSE CERTIFICATE		
<p>THE APPLICATION SUBMITTED WITH PLANS TO:</p> <p style="padding-left: 40px;">Preliminary development permit application to change the use of this space to Medical Marijuana Related-Use.</p>							
<p>AND IS REFUSED FOR THE FOLLOWING REASONS:</p> <p>009 The proposed use is unsatisfactory at this location.</p>							
PROPOSED USE R55 MED MARIJUANA-REL		SPECIFICS/LOCATION		AREA (SP)	OCC	PROPOSED USE	
ITEM		SPECIFICS/REFERENCE		QTY/AMT		ITEM	
0040 PROCESSED THROUGH 0041 BY-LAW PROVISION		32 PROC CTR -MGR DE C CONDITIONAL				0080 ZONE 0089 WEATHER PROTECTION	
SPECIFICS/REFERENCE		QTY/AMT		SPECIFICS/REFERENCE		QTY/AMT	
0032 C-2B				WP01 WEATHER PROTECTION			
PROCESSED BY: APPLICATION TAKEN BY P STEWART PERMIT AUTHORIZED BY J GREER				APPLICATION TYPED BY K PRINGLE REFUSAL ISSUED BY K PRINGLE			
<p>ADDITIONAL NOTES:</p> <p>965 SEE SECTION 573 OF THE VANCOUVER CITY CHARTER AND THE BOARD OF VARIANCE BY-LAW FOR APPEALS TO THE BOARD OF VARIANCE.</p> <p>ANY APPEAL MUST BE FILED ON THE OFFICIAL NOTICE OF APPEAL FORM WITHIN 30 DAYS FROM THE DATE OF THIS REFUSAL. APPOINTMENTS WILL BE TAKEN TO FILE A NOTICE OF APPEAL BY THE SECRETARY FOR THE BOARD OF VARIANCE AT TELEPHONE 604-873-7723.</p>							
COMMENTS:							
FEE		AMOUNT	FEE	AMOUNT	DEPARTMENT		
200 DEV SCHED 9		100.00			PLANNING DEPT		
					ATTENTION		
					FILE		
					REASON		
					FILE		
INVOICE : 785292				TOTAL	\$100.00		

PSD200101 REVISED FEB/08

REFERENCE COPY

BUILDING PERMIT APPLICATION NOTICE

THE APPLICANT IS ADVISED OF THE FOLLOWING

An application for a Building Permit has not been completed within 6 months after the date of filing, or within 6 months of the last substantial activity with respect to the application, the application shall be deemed to have lapsed.

The City Building Inspector may refuse to issue any Building Permit

- (a) whenever information submitted is inadequate to determine compliance with the provisions of the Building By-law,
- (b) whenever incorrect information is submitted,
- (c) that would authorize any building work or occupancy that would not be permitted by the Building By-Law, or
- (d) that would be prohibited by any other by-law, act or regulation.

DEVELOPMENT PERMIT NOTICE

1. The issuance of this development permit does not absolve the owner or applicant from compliance with all relevant City by-laws, or from obtaining all other required City permits such as building, plumbing, gas, electrical, boulevard and sidewalk crossing (street occupancy), sewer and water, etc.
2. The Director of Planning may, without requiring a new development permit application, approve amendments of a minor nature to the development as approved by this permit. See the Zoning and Development By-law for further information.
3. This development permit is valid for 12 months only from the date issued unless the development as approved shall have meantime commenced, or a building permit has been issued and is unexpired in which case the Development Permit is valid for 24 months only from the date issued. For Extensions or Renewals see the Zoning and Development By-law.

FOR FURTHER INFORMATION - Please enquire at:
 Enquiry Centre
 Community Services Group - Development Services
 East Wing, City Hall
 Vancouver, B.C.
 Tel: 604-873-7611

BUILDING PERMIT NOTICE

THE APPLICANT IS ADVISED OF THE FOLLOWING:

For information on limitation on times of work in which noise is created, see the Noise By-law or contact the Licenses & Inspections Department of the Community Services Group.

The Building Permit Job Card must be posted on the job and plans stamped with the Development Services Department Approval must be on site and available to the City Building Inspector at the time of each inspection. No deviation from the plans or Building Permit shall be made without the written approval of the City Building Inspector.

It is the owner's responsibility to establish the property lines of the site; the City Building Inspector may, if he deems it necessary, require the owner to furnish a survey of the site certified by a British Columbia Land Surveyor.

BUILDING PERMIT NOTICE continued

The City Building inspector may revoke a Building Permit if

- (a) there is a contravention of any condition under which the Building Permit was issued,
- (b) the Building Permit was issued in error, or
- (c) the Building Permit was issued on the basis of incorrect information.

A Building Permit shall expire and the right of an owner under the Building Permit shall terminate if

- (a) the work authorized by the Building Permit is not commenced within 6 months from the date of issuance of the Building Permit and actively carried out thereafter, or
- (b) work is suspended for a period of 6 months.

No Building Permit fees or part thereof paid to the City shall be refunded if

- (a) construction authorized by a Building Permit has commenced, or
- (b) the Building Permit has expired or lapsed.

Office Use	Notes																				
ENGINEERING DEPARTMENT																					
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REGISTRATION NO _____																					

DE419427: DEVELOPMENT APPLICATION

Section

INTERNAL NOTES

NOTES

007 ***** PCT SUMMARY REPORT *****

NOTE TO APPROVAL AUTHORITY

RECOMMENDATION TO: J. Greer

ON: 05/20/16

BY: K. Pringle

SIGNATURE;

DEALT WITH BY: AD DRB on behalf of DOP

ON: 05/20/16

BY: J. Greer

SIGNATURE;

RECOMMENDATION SUMMARY: REFUSAL of this preliminary application for change of use to Medical Marijuana Related use.

REASON(S) FOR REFUSAL: Unsuccessful at declustering draw.

End of report

DEVELOPMENT APPLICATIONS GROUP

- TO: ASSISTANT DIRECTOR, PC-D
 MANAGER, PC-D
 MANAGER, ENQUIRY CENTRE
 HOUSING REVIEW

HERITAGE ALTERATION PERMIT

SIGNATURE/INITIALS

DATE

FROM: KYUE PRINGLE

DATE: MAY 20/16

ADDRESS: 1540 W 2ND AVE

DE #: 419427

TO:
SUPPORT GROUP
(Initials/Date)

TO:
PC
(Initials/Date)

JCP - MAY 20/16

COMMENTS:

DE419427: DEVELOPMENT APPLICATION

Section

PERMIT ADDRESS : 1540 W 2ND AV
Specific address : #206
Place name :

Status: OPEN
Opened: AUG 11, 2015

GENERAL

Addressing data :

Co-ordinate :

Legal description: LOT BLOCK PLAN DIST

Project value : \$0 Purpose to : 014 CHANGE USE

Assessed value : \$0 Subtype :

Temporary bldg : to Temporary use: to

Complexity : 020 C/E/R/S CHG USE Sets of plans : 1 METRIC?

Signature on: I INFORMATION SHEE Nbr of bldgs : 1

Preliminary development permit application to change the use of this space to
Medical Marijuana Related-Use.

PROJECT DESCRIPTION

1 : ANDREA DOBBS APPLICANT 05 TENANT
THE VILLAGE DISPENSARY
#206-1540 W 2ND AVE Bus lic acct: Tel:
VANCOUVER BC V6J1H2 Certificate : Fax:

CONTACTS

Signed by : 1 TENANT Job Contact : 1 TENANT
Last invoice: 1 TENANT Mail to :

Use code	Use Specifics/location	Occ class	By-law (SF)	Existing (SF)	Proposed (SF)	USES
R55	MED MARIJUNA-REL					

Item	Specifics/Remarks	By-law (I)	Existing (I)	Proposed (I)	UM	ITEMS
0002	BUILDING TYPE					
0040	PROCESSED THROUGH 32 PROC CTR -MGR DE					
0041	BY-LAW PROVISION C CONDITIONAL					
0080	ZONE Z032C-2B					
0089	WEATHER PROTECTIONWPO1WEATHER PROTECTION					

Date entered	Trx typ	Invoice number	Fee code	Calculation based on	\$ Amount	FEES
2015081	EXC	785292	200 DEV SCHED 9		100.00	
2015081	PAY	785292			100.00-	

REASON FOR REFUSAL

NOTES

DE419427: DEVELOPMENT APPLICATION

Section

Req Review/Inspection for activity group	Dist rict	Department/branch responsible	Current status	Date open	Date complete	ACTIVITIES
APP 19 DEV COST LEVY REVW	DE02	BY-LAW ADMIN	12 NOT REQD	15AUG11	16MAY20	
15AUG11 P STEWART		060 OPEN GROUP				
16MAY20 K PRINGLE		072 GROUP NOT REQUIRED	45	CANCELLED		

End of permit

End of report

C-2B District Schedule

1 Intent

The intent of this Schedule is to provide for a wide range of goods and services, to maintain commercial activities and personal services that require central locations to serve larger neighbourhoods, districts or communities and through discretionary approvals, to encourage good design and proper utilization of the land.

2 Outright Approval Uses

2.1 Subject to all other provisions of this By-law and to compliance with section 2.3 and the regulations of this Schedule, the uses listed in section 2.2 shall be permitted in this District and shall be issued a permit.

2.2 Uses

2.2.A • Accessory Buildings customarily ancillary to any of the uses listed in this Schedule, provided that:

- (a) no accessory building exceeds 3.7 m in height measured to the highest point of the roof if a flat roof, to the deck line of a mansard roof, or to the mean height level between the eaves and the ridge of a gable, hip or gambrel roof, provided that no portion of an accessory building may exceed 4.6 m in height;
- (b) all accessory buildings are located in the rear yard and in no case are less than 3.1 m from the ultimate centre line of any rear or flanking lane;
- (c) the total floor area, measured to the extreme outer limits of the building, of all accessory buildings is not greater than 15 percent of the total area of the site;
- (d) not applicable; [Maximum width]
- (e) not applicable; [Proximity to residential dwelling]
- (f) no accessory building obstructs the horizontal daylight access prescribed in this Schedule for residential use.

• Accessory Uses customarily ancillary to any of the uses listed in this section, provided that unless permitted as an outright approval use pursuant to section 2 of this Schedule, the total floor area of all accessory uses is not greater than 25 percent of the gross floor area of the principal use.

2.2.C [Cultural and Recreational]

- Arts and Culture Indoor Event.

2.2.RT [Retail]

- Grocery or Drug Store except for Small-scale Pharmacy.
- Retail Store.

2.2.SV [Service]

- Barber Shop or Beauty Salon.
- Beauty and Wellness Centre.
- Laundromat or Dry Cleaning Establishment.
- Photofinishing or Photography Studio.
- Repair Shop - Class B.

2.3 Conditions of Use

- 2.3.1 All commercial uses listed in this section shall be carried on wholly within a completely enclosed building except for the following:
- (a) parking and loading facilities;
 - (b) display of flowers, plants, fruits and vegetables.

3 Conditional Approval Uses

- 3.1 Subject to all other provisions of this By-law, including section 3.3.3, and the provisions and regulations of this Schedule the Development Permit Board may approve any of the uses listed in section 3.2, subject to the conditions of section 3.3, and including such other conditions as it may decide, provided that it first considers:

- (a) the intent of this Schedule and all applicable policies and guidelines adopted by Council;
- (b) the submission of any advisory group, property owner or tenant; and
- (c) the amount of open space, plazas and landscaping being provided and the impact of the development on the character of the community.

3.2 Uses

- 3.2.A • Accessory Uses to any of the uses listed in this Schedule, subject to the same provisions as section 2.2.A of this Schedule.

3.2.AG [Agricultural]

- Urban Farm - Class B, subject to the provisions of section 11.30 of this By-law.

3.2.C [Cultural and Recreational]

- Artist Studio, subject to the provisions of section 11.18 of this By-law.
- Billiard Hall.
- Bowling Alley.
- Club.
- Community Centre or Neighbourhood House.
- Fitness Centre.
- Hall.
- Library.
- Museum or Archives.
- Park or Playground.
- Rink.
- Swimming Pool.
- Theatre.
- Zoo or Botanical Garden.

- 3.2.D • Deposition or extraction of material so as to alter the configuration of the land.

3.2.DW [Dwelling]

- Dwelling units in conjunction with any of the uses listed in this Schedule except that no portion of the first storey of a building to a depth of 10.7 m from the front wall of the building and extending across its full width shall be used for residential purposes except for entrances to the residential portion.
- Multiple Dwelling, provided that the Development Permit Board is of the opinion that the site is suitable for residential use.

- Multiple Conversion Dwelling, resulting from the conversion of a building which was in existence prior to June 18, 1956, provided that:
 - (a) before making a decision the Development Permit Board shall consider the quality and livability of the resulting units, the suitability of the building for conversion in terms of age and size, and the effect of the conversion on adjacent properties and the character of the area; and
 - (b) building additions shall not be permitted.
- Principal Dwelling Unit combined with a Lock-off Unit in conjunction with any of the uses listed in this schedule, except that no portion of the first storey of a building to a depth of 10.7 m from the front wall of the building and extending across its full width may be used for residential purposes unless the purpose is for entrances to the residential portion.
- Principal Dwelling Unit combined with a Lock-off Unit in a Multiple Dwelling if the Development Permit Board is of the opinion that the site is suitable for residential use.
- Residential Unit associated with and forming an integral part of an artist studio, subject to the provisions of section 11.19 of this By-law.
- Seniors Supportive or Assisted Housing, subject to section 11.17 of this By-law.

3.2.I [Institutional]

- Ambulance Station.
- Child Day Care Facility.
- Church.
- Detoxification Centre.
- Hospital.
- Public Authority Use.
- School - Elementary or Secondary.
- School - University or College.
- Social Service Centre.
- Community Care Facility – Class B, subject to the provisions of section 11.17 of this By-law.
- Group Residence, subject to the provisions of section 11.17 of this By-law.

3.2.M [Manufacturing]

- Clothing Manufacturing.
- Miscellaneous Products Manufacturing - Class B.
- Printing and Publishing.
- Textile or Knit Goods Manufacturing.

3.2.O [Office]

- Office Uses.

3.2.P [Parking]

- Parking Uses.

3.2.R [Retail]

- Farmers' Market, subject to the provisions of Section 11.21 of this By-law. *Compatibility with nearby sites, parking, traffic, noise, hours of operation, size of facility, pedestrian amenity.*
- Furniture or Appliance Store.
- Gasoline Station - Full Serve, subject to the provisions of section 11.10 of this By-law.
- Gasoline Station - Split Island, subject to the provisions of section 11.10 of this By-law.
- Liquor Store.
- Medical Marijuana-related Use, subject to the provisions of section 11.28 of this By-law.
- Pawnshop.

- Public Bike Share.
- Secondhand Store.
- Small-scale Pharmacy, subject to the provisions of section 11.22 of this By-law.
- Vehicle Dealer.

3.2.S [Service]

- Animal Clinic.
- Auction Hall.
- Bed and Breakfast Accommodation, subject to the provisions of section 11.4 of this By-law.
- Catering Establishment.
- Funeral Home.
- Motor Vehicle Repair Shop.
- Motor Vehicle Wash.
- Neighbourhood Public House.
- Print Shop.
- Restaurant - Class 1.
- School - Arts or Self-Improvement.
- School - Business.
- School - Vocational or Trade.
- Sign Painting Shop.

3.2.U [Utility and Communication]

- Public Utility.
- Radiocommunication Station.
- Recycling Depot.

3.2.W [Wholesale]

- Wholesaling - Class A.
- Wholesaling - Class B.

- 3.2.Z • Any other use which is not specifically listed and defined as a use in section 2 of this By-law but which the Development Permit Board considers comparable in nature to the uses listed in this Schedule, having regard to the intent of this District Schedule.

3.3 Conditions of Use

- 3.3.1 All commercial uses listed in this section shall be carried on wholly within a completely enclosed building, except for the following:

- (a) parking and loading facilities;
- (b) full serve and split island gasoline station, except that section 11.10.2 of this By-law continues to apply;
- (c) restaurant;
- (d) neighbourhood public house;
- (e) farmers' market;
- (f) public bike share; and
- (g) Urban Farm - Class B.

- 3.3.2 • Manufacturing Uses shall only be permitted subject to the following:

- (a) the total floor area in manufacturing use does not exceed 300 m²;
- (b) except for entrances to the manufacturing portion and display features which, in the opinion of the Development Permit Board, benefit pedestrian character, that portion of the first storey of a building to a depth of 4.5 m from the front wall of the building and extending across its full width shall be used for ancillary retailing purposes, unless the applicant can demonstrate, to the satisfaction of the

- Development Permit Board, that the site is located in a block predominantly developed with auto-oriented retailing or general business commercial uses and that deletion of the required retailing would not adversely affect adjacent uses; and
- (c) before granting a permit the Development Permit Board shall first be satisfied that there will be no undue adverse effect on uses within the building or on an abutting site.

4 Regulations

All uses approved under sections 2 and 3 of this District Schedule shall be subject to the following regulations.

4.1 Site Area -- Not Applicable.

4.2 Frontage

The maximum frontage for any commercial use shall be 15.3 m.

4.3 Height

- 4.3.1 The maximum height of a building shall be 12.2 m except that in the case of a site fronting on a street running east and west, no portion of a building shall extend above an envelope formed by a vertical line measuring 7.3 m in height at the north property line and a plane formed by an angle of 30 degrees measured from the horizontal and having its vertex at the maximum building height permitted at the north property line.

- 4.3.2 The Director of Planning or the Development Permit Board, as the case may be, may permit an increase in the maximum height of a building to a height not exceeding 15.3 m with respect to any development and may permit a building which exceeds the envelope, provided he first considers:

- (a) the height, bulk and location of the building and its effect on the site, surrounding buildings and streets, and existing views;
- (b) the amount of open space, including plazas, and the effects of overall design on the general amenity of the area;
- (c) the intent of this Schedule, all applicable policies and guidelines adopted by Council and the relationship of the development with nearby residential areas; and
- (d) the submission of any advisory group, property owner or tenant.

4.4 Front Yard and Setback

- 4.4.1 For any use listed in Section 2.2, a front yard shall not be permitted and a front setback shall only be permitted where a pedestrian or shopping courtyard or other features benefitting pedestrian character are provided, or where otherwise required by this By-law.

- 4.4.2 A setback of 1.2 m from the front property line shall be required for any parking area.

4.5 Side Yards and Setback

- 4.5.1 No side yard shall be required except where the site adjoins, without the intervention of a lane, a site located in an R district, in which case the following side yard requirements shall apply:

- (a) where the adjoining site is in an RM district, a side yard with a minimum width of 1.5 m shall be provided adjoining the RM district;
- (b) in all other cases, a side yard with a minimum width of .9 m shall be provided, except in the case of a corner site in which case an exterior side yard need not be provided.

- 4.5.2 Where a side yard is provided, although not required, the minimum provisions of section 4.5.1 shall apply.

- 4.5.3 In the case of a corner site, a setback of 1.2 m from the side property line abutting the flanking street shall be required for any parking area.

4.6 Rear Yard and Setback

- 4.6.1 A rear yard with a minimum depth of 3.1 m shall be provided, except that where the rear of the site abuts a lane, this required minimum depth shall be decreased by the lane width between the rear property line and the ultimate centre line of the lane.

- 4.6.2 Where any portion of a building contains residential uses, that portion shall be set back a minimum of 7.6 m from the rear property line across the full width of the building, except that where the rear of the site abuts a lane, this required minimum setback shall be decreased by the lane width between the rear property line and the ultimate centre line of the lane.

4.7 Floor Space Ratio

- 4.7.1 The floor space ratio shall not exceed 1.50 in the case of a site used for purely residential uses, and in all other cases 2.50 to be distributed as follows:

- (a) uses listed in sections 2.2 and 3.2, but excluding residential uses, to a maximum floor space ratio of 1.00 on the ground or first floor;
- (b) uses listed in sections 2.2 and 3.2, but excluding residential uses, to a maximum floor space ratio of 0.50 on the second floor;
- (c) residential uses to a maximum floor space ratio of 1.00 if section (b) above has been employed, or 1.50 if section (b) has not been employed, on the second or higher floors; and for the purposes of the computation of floor space ratio, an artist studio and the associated residential unit shall be considered a residential use.

- 4.7.2 The following shall be included in the computation of floor space ratio:

- (a) all floors of all buildings including accessory buildings, both above and below ground level, to be measured to the extreme outer limits of the building.

- 4.7.3 The following shall be excluded in the computation of floor space ratio:

- (a) open residential balconies and any other appurtenances which, in the opinion of the Director of Planning, are similar to the foregoing, provided that the total area of all exclusions does not exceed eight percent of the residential floor area being provided;
- (b) patios and roof gardens, for residential purposes only, provided that the Director of Planning first approves the design of sunroofs and walls;
- (c) where floors are used for off-street parking and loading, the taking on or discharging of passengers, bicycle storage, heating and mechanical equipment or uses which in the opinion of the Director of Planning are similar to the foregoing, those floors or portions thereof so used which:
 - (i) are at or below the base surface, provided that the maximum exclusion for a parking space shall not exceed 7.3 m in length; or
 - (ii) are above the base surface and where developed as off-street parking are located in an accessory building situated in the rear yard, provided that the maximum exclusion for a parking space shall not exceed 7.3 m in length.
- (d) child day care facilities to a maximum floor area of 10 percent of the permitted floor area, provided the Director of Planning, on the advice of the Director of Social Planning, is satisfied that there is a need for a day care facility in the immediate neighbourhood; and
- (e) all residential storage space above or below base surface, except that if the residential storage space above base surface exceeds 3.7 m² per dwelling unit, there will be no exclusion for any of the residential storage space above base surface for that unit.

- 4.7.4 The Director of Planning may permit the following to be excluded in the computation of floor space ratio:
- (a) enclosed residential balconies, provided that the Director of Planning first considers all applicable policies and guidelines adopted by Council and approves the design of any balcony enclosure, subject to the following:
 - (i) the total area of all open and enclosed balcony or sundeck exclusions does not exceed eight percent of the residential floor area being provided; and
 - (ii) no more than fifty percent of the excluded balcony floor area may be enclosed.
- 4.8 **Site Coverage** -- Not Applicable.
- 4.9 **[Deleted -- see Parking By-law.]**
- 4.10 **Horizontal Angle of Daylight**
- 4.10.1 Each habitable room must have at least one window on an exterior wall of a building.
- 4.10.2 Each exterior window must be located so that a plane or planes extending from the window and formed by an angle of 50 degrees, or two angles with a sum of 70 degrees, will encounter no obstruction over a distance of 24.0 m.
- 4.10.3 The plane or planes referred to in section 4.10.2 must be measured horizontally from the centre of the bottom of each window.
- 4.10.4 The Director of Planning or Development Permit Board may relax the horizontal angle of daylight requirement, if:
- (a) the Director of Planning or Development Permit Board first considers all the applicable policies and guidelines adopted by Council; and
 - (b) the minimum distance of unobstructed view is not less than 3.7 m.
- 4.10.5 An obstruction referred to in section 4.10.2 means:
- (a) any part of the same building including permitted projections; or
 - (b) the largest building permitted under the zoning on any adjoining site
- 4.10.6 A habitable room referred to in section 4.10.1 does not mean:
- (a) a bathroom; or
 - (b) a kitchen whose floor area is the lesser of:
 - (i) 10% or less of the total floor area of the dwelling unit, or
 - (ii) 9.3 m².

5 Relaxation of Regulations

- 5.1 The Development Permit Board or the Director of Planning, as the case may be, may relax the maximum height, floor area and location regulations for accessory buildings and accessory uses except that the relaxed height shall not, in any event, exceed the maximum prescribed in section 4.3.1 nor the floor space exceed 33½ percent of the gross floor area of the principal use.
- 5.2 The Development Permit Board or the Director of Planning, as the case may be, may relax the maximum frontage regulation in section 4.2, provided that a pedestrian amenity area such as a courtyard or resting area is provided, or where pedestrian interest is otherwise maintained and provided he first considers all applicable policies and guidelines adopted by Council.

5.3 The Development Permit Board or the Director of Planning, as the case may be, may relax any of the regulations of this Schedule for the following developments:

- (a) dwelling units in conjunction with any of the uses listed in this Schedule and residential units associated with and forming an integral part of an Artist Studio, except that the 10.7 m non-residential setback shall not be relaxed;
- (b) office uses,

provided that in determining the amount of any relaxation that may be permitted, the Development Permit Board or the Director of Planning, as the case may be, shall consider, where applicable, the amount and quality in the provision of:

- (i) landscaping;
- (ii) usable resident open space provided by balconies, decks, roof gardens and courtyards;
- (iii) individual dwelling units and residential units associated with and forming an integral part of an Artist Studio; and
- (iv) light and air available to individual dwelling units and residential units associated with and forming an integral part of an Artist Studio.

5.4 The Development Permit Board or the Director of Planning, as the case may be, may relax the use conditions of sections 2.3.1 and 3.3.1 to permit the outdoor display of retail goods, and may include such other conditions as he deems necessary, having regard to the type of merchandise, the area and location of the display with respect to adjoining sites, the hours of operation and the intent of this Schedule.

- 11.26.2 The site must be within 100 metres of the development project to which the Temporary Sales Office relates.
- 11.26.3 The site must be located on an arterial or major street, which generally have two or more lanes of travel in each direction and are usually designated as truck and bus routes.
- 11.26.4 The site must be more than 800 metres from a commercial district, except that the Director of Planning may permit the use closer to a commercial district if the applicant can demonstrate that suitable commercial vacancy opportunities are not available.
- 11.26.5 The Director of Planning must consider the submission of any advisory group, property owner or tenant and all applicable policies and guidelines adopted by Council.
- 11.26.6 The site must be fully restored to its original condition immediately following the expiration of a development permit.

11.27 Micro dwelling

- 11.27.1 A micro dwelling must be part of a development which has a covenant or housing agreement registered against title restricting its use to secured market rental housing or social housing, for the longer of 60 years or the life of the building.
- 11.27.2 The floor area of a micro dwelling must be at least 29.7 m², except that the Director of Planning or the Development Permit Board may relax the permitted floor area of a micro dwelling to a minimum of 23.2 m² if:
 - (a) the Director of Planning or the Development Permit Board first considers all applicable Council policies and guidelines; and
 - (b) the micro dwelling is part of a development which has a covenant or housing agreement registered against title restricting its use to secured market rental housing or social housing, for the longer of 60 years or the life of the building.
- 11.27.3 A micro dwelling is only permitted in:
 - (a) the area of the FC-1 District north of National Avenue;
 - (b) the area of the RT-3 and RM-3A districts located north of Venables Street, Malkin Avenue and Prior Street, south of Hastings Street, east of Gore Avenue and west of Clark Drive;
 - (c) the HA-1 and HA-1A districts;
 - (d) the HA-2 district;
 - (e) the Downtown-Eastside Oppenheimer district; and
 - (f) the area of the Downtown district denoted as C2 on Map 1 of the Downtown Official Development Plan.
- 11.27.4 No more than one person shall occupy a micro dwelling.

11.28 Medical Marijuana-related Use

- 11.28.1 Before granting a development permit, the Director of Planning shall:
 - (a) notify surrounding property owners and residents and have regard to their opinions;
 - (b) have regard to the liveability of neighbouring residents; and
 - (c) consider all applicable Council policies and guidelines.

11.28.2 A Medical Marijuana-related Use is not permitted:

- (a) within 300 metres of the nearest property line of a site containing another Medical Marijuana-related Use;
- (b) within 300 metres of the nearest property line of a site containing a School - Elementary or Secondary, Community Centre or Neighbourhood House;
- (c) within the area outlined on Figure 1 below, except for sites with a property line on Hastings Street or Main Street;
- (d) on any site with a property line on Granville Street between Robson Street and Pacific Boulevard;
- (e) on any site other than a site adjacent to a street that has a painted center line;
- (f) in conjunction with any other use; or
- (g) in conjunction with an automated banking machine.

11.29 Urban Farm - Class A

Notwithstanding anything else in this By-law, Urban Farm - Class A is subject to the following:

- 11.29.1 The planting area must not exceed 325 m² on any single parcel unless the primary use of the parcel is Park or Institutional in which case the Director of Planning may permit an increase in planting area to a maximum of 7 000 m².
- 11.29.2 If two or more parcels are operated jointly as an Urban Farm - Class A, the combined planting area for all parcels must not exceed 7 000 m².
- 11.29.3 No on-site processing of fruits and vegetables, or manufacturing of food products is permitted.
- 11.29.4 No mechanical equipment may be used other than that designed for household use including lawnmowers, rototillers, garden hoses and pruners.
- 11.29.5 No herbicides or pesticides are permitted.
- 11.29.6 No on-site sales are permitted, unless the primary use of the parcel is Institutional.
- 11.29.7 No Urban Farm - Class A operated on a single parcel may generate revenue exceeding \$9,999 in any calendar year, unless the primary use of the parcel is Park or Institutional.
- 11.29.8 If an Urban Farm - Class A is operated, in whole or in part, by a person other than an owner or full-time resident of the parcel, the planting area must be subject to a lease authorizing the operation of the farm.
- 11.29.9 No offensive noise, odour, light, smoke, or vibration or other objectionable effect may be produced.
- 11.29.10 No mechanical equipment may be stored outside.
- 11.29.11 Any development permit or waiver of a development permit for an Urban Form-Class A is time limited to 1 year.

11.30 Urban Farm - Class B

Notwithstanding anything else in this By-law, Urban Farm – Class B is subject to the following:

May 4, 2016

Andrea Dobbs
The Village Dispensary
#206-1540 W. 2nd Avenue
Vancouver, BC
V6J 1H2

Dear Ms. Dobbs:

RE: Development Application Number DE419427 - #206 -1540 W. 2nd Avenue

Your preliminary application for a medical marijuana-related retail use (MMRU) at #206 - 1540 W. 2nd Avenue has been reviewed and is within 300 metres of four other preliminary MMRU applications.

The License By-law states that in such cases, the Chief Licence Inspector will use the four criteria set out in the License By-law to evaluate and assign points to each location in a cluster. Only the application with the fewest points will be eligible to apply for a full development permit and business licence at that location; the others must close. In the event of a tie, the cluster will be decided based on a random draw.

The evaluation for your application is complete and it received the same number of demerits as the applications for 1812 W. 4th Avenue, 1864 W. 4th Avenue, 1712 W. 4th Avenue and 1952 W. 4th Avenue. Accordingly, your cluster will be decided by random draw. The draw details are as follows:

Date: Wednesday, May 11, 2016

Time: 3:30pm

Location: Development Services and Building Centre, 515 W. 10th Avenue

As the applicant, you are invited to observe the random draw and you may bring one additional attendee. Please bring this letter and photo identification and check in with Security on the ground floor of the building. If you cannot attend in person, you may send one alternate in your place. Your alternate must present this letter in order to attend the draw.

If you have questions regarding the draw or your application, please contact John Freeman at 604.873.6076.

City of Vancouver, Community Services
Licensing, Property Use Inspections and Animal Services
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7100
website: vancouver.ca



Yours truly,

A handwritten signature in black ink, appearing to be 'Andreea Toma', written in a cursive style.

Andreea Toma, P.Eng.
Chief Licence Inspector

AT/mv

May 20, 2016

Andrea Dobbs
The Village Dispensary
#206-1540 W. 2nd Avenue
Vancouver, BC
V6J 1H2

Dear Ms. Dobbs:

RE: Development Application Number DE419427

In October 2015, you were advised that your preliminary application for a Medical Marijuana-Related Use at #206 - 1540 West 2nd Avenue is within 300 metres of at least one other application and must be evaluated using the four declustering criteria defined in the City's Licence Bylaw.

The evaluation for your application was completed and received the same number of demerits as at least one other application in your cluster. Accordingly, your cluster was decided by random draw. Your application was not successful at the draw, and you may not proceed in the permits and licensing process at your current location.

Next Steps for Your Application

If you would like to continue to pursue a license for a medical marijuana-related retail use in the City of Vancouver, you have two options:

1. Secure an alternate business location that complies with all Zoning and Development By-law requirements and apply for a development permit at that location.

If you secure an alternate site that is in a permitted commercial zone and meets Section 11.28.2 (a) to (g) of the Zoning and Development By-law, you can submit a Development Permit application at that site.

You can check the zoning and distancing for candidate sites using the *VanMap* application on the City's website. It is recommended that you contact City staff to check if a potential alternate site meets by-law requirements before you make purchase or lease commitments. You may request a zoning check by emailing the property address to medical.marijuana@vancouver.ca

2. Appeal the Development Permit refusal to the Board of variance within 30 days of the refusal.

6275078702 000000

The Board of Variance hears appeals for Development Permit applications refused by the Director of Planning. To schedule an appeal, contact the Secretary to the Board of Variance at 604.873.7723. For more information about the Board of Variance appeal process, visit <http://vancouver.ca/home-property-development/appealing-decisions-to-the-board-of-variance-or-parking-variance-board.aspx>

You must schedule your appeal by 4:30 p.m., Friday, June 17, 2016.

Regardless of the option you choose, you must cease medical marijuana-related retail operations at your current location before Thursday, November 10th, 2016. If you would like to continue business operations at your current location after that date, you must adjust your business model to another (non-marijuana-related) business type (e.g. retail store) and obtain the appropriate business licence for that use.

If you have any questions, or to book an appointment for new application intake, please contact John Freeman at 604.873.6076, john.freeman@vancouver.ca

Yours truly,



Andreea Toma, P.Eng.
Chief Licence Inspector
Director, Licensing, Property Use
Inspections
& Animal Services



John Greer
Assistant Director
Development Review Branch

October 9, 2015

Ms. Andrea Dobbs
The Village Dispensary
#206 - 1540 West 2nd Avenue
Vancouver, BC V6J 1H2

Dear Ms. Dobbs:

RE: Development Application Number DE419427

Your preliminary application for a medical marijuana-related retail use (MMRU) at #206 - 1540 W 2nd Avenue has been reviewed and is within 300 metres of at least one other preliminary MMRU application.

Section 11.28.2 of the Zoning and Development By-law states, "a Medical Marijuana-related Use is not permitted within 300 metres of the nearest property line of a site containing another Medical Marijuana-related Use." Therefore your application, and all of the other applications in your cluster, will be reviewed and scored using the declustering criteria set out in the License By-law.

In each cluster, the application with the fewest demerits can continue in the permits and licencing process at that location. The other applications in the cluster will have a period of time to close or to reapply with a different location that meets all Zoning and Development By-law requirements, including the 300 metre minimum distance requirement from other MMRUs.

Next Steps for Your Application

The next steps for your application are:

1. Request a Special Inspection of the premises.

Bring this letter and the property owner's written consent to inspection to the Development and Building Services Centre. The Centre is located on the 1st Floor of 515 West 10th Avenue and is open from 8:30 a.m. to 4:30 p.m. Monday/Wednesday/Friday and 8:30 a.m. to 4:00 p.m. Tuesday/Thursday. City staff will log your inspection request and a building inspector will contact you shortly to book the inspection. The Special Inspection fee is \$326 + GST, payable by cash, credit or debit at the time of application.

The purpose of the Special Inspection is to determine if the space complies with City by-laws. The inspector will require full access to the space and all areas associated with entrances and exits to your location.

You must request your Special Inspection by **4:30 p.m., Friday, October 23, 2015** for your application to remain active.

2. Submit a Police Information Check - Vulnerable Sector.

A Police Information Check (PIC) - Vulnerable Sector for the applicant(s) will be one of the items used to assess the history of business practices for each application. To obtain a PIC, complete the attached application form and bring the form, this letter, and two pieces of current government-issued ID (one with photo) to the VPD Cambie Public Service Unit at 2120 Cambie Street between 8:00 a.m. and 5:00 p.m. Monday to Sunday. The PIC fee is \$70 + GST, payable by cash, credit or debit at the time of application.

The PIC must be dated after **October 1, 2015**. Once you obtain the PIC, submit it to Reception at the Development and Building Services Centre in an envelope marked Attention: Deputy Chief Licence Inspector. You must submit your PIC by **Friday, November 6, 2015**, for your application to remain active.

Please do not have your staff obtain PICs at this time; you will be notified when staff PICs are required later in the licencing process.

3. Submit Proof of Compassion Club Status (if applicable).

If you would like to be considered as a Compassion Club for the purposes of the declustering evaluation, you must provide:

- Proof of registration under the Society Act.
- Proof of Trade Association membership in the Canadian Association of Medical Cannabis Dispensaries (CAMCD).
- The name, contact information, and governing professional body for each of the professionals that will provide health care services to society members.
- A copy of the society's constitution and by-laws.

You must submit all of the above materials to Reception at the Development and Building Services Centre in an enveloped marked Attention: Deputy Chief Licence Inspector by **Friday, November 6, 2015**, or your application will be considered a Retail Dealer for the purposes of the declustering evaluation.

The Declustering Process

Once your Special Inspection is complete and you have submitted the required information, City staff will evaluate and score your application using four declustering criteria defined in the License By-law (s. 12.2 (30b) and s. 24.5(24b)). The table below shows the declustering criteria and demerits for each.

Declustering Criteria	Scoring
1. Is the applicant a Compassion Club, as defined by the License By-law?	No = +10 demerits
2. Has the City received more than one substantive complaint, from more than one complainant, in the previous 12 months?	Yes = +2 demerits
3. Has work been done on the business premises without a permit?	Yes = +3 demerits
4. Does the applicant have a history of poor business practices (e.g. by-law infractions, VPD enforcement action)?	Yes = +4 demerits

There will be an opportunity for you to review and comment on the declustering evaluation for your site before it is finalized.

In each cluster, the application with the fewest demerits can continue in the permits and licencing process at that location. The other preliminary development permit applications in the cluster will be refused. If your application is refused, you will have three options:

1. Secure an alternate business location that complies will all Zoning and Development By-law requirements and reapply before the deadline set in the refusal letter.
2. Appeal the development permit refusal to the Board of Variance within 30 days of refusal.
3. Close.

Opting Out Of the Declustering Process

If you would prefer not to complete the Special Inspection and declustering steps, you may withdraw your preliminary development permit application. You will have six months from the date of withdrawal to submit a complete development permit application at an alternate location that meets all Zoning and Development By-law requirements. To withdraw, contact the Project Facilitators listed at the bottom of this letter.

Please note that if you fail to meet any of the deadlines in this letter, your application will not proceed to declustering evaluation. In this case, your preliminary development permit application will be refused and you have six months to submit a complete development permit application at an alternate business location that meets all Zoning and Development By-law requirements.

Starting November 2, 2015, you can request a zoning check on potential alternate locations by emailing the property addresses to medical.marijuana@vancouver.ca

Business Operations during Inspections and Evaluation

If you have not opened a retail business at the address of your application by **October 9, 2015**, you may not open before you obtain a business licence. If you were already operating by October 9, 2015, you may continue to do so provided you meet the application deadlines within this letter and demonstrate exemplary business practices that include at a minimum:

- No smoking, dabbing, vaping, vapourizing or use of e-cigarettes on site.
- No display or sale of edibles other than oils, tinctures or capsules.
- No minors on site, or advertising to minors.
- No neighbourhood disturbance.

The City will be increasing inspections of medical marijuana-related businesses and any found in violation of the above practices will be subject to enforcement action and possible closure.

If you have any questions, please contact Phoebe Stewart at phoebe.stewart@vancouver.ca, or John Freeman at john.freeman@vancouver.ca

Yours truly,

A handwritten signature in black ink, appearing to be 'J Greer', written in a cursive style.

John Greer
Assistant Director

Att. (1)



Property Use Inspection Report

IR Number	UI 56857	EN Number	EN 111872	Date of Inspection (yyyy/mm/dd)	2015/12/11
Main Address	1540 W 2nd			Specifics and/or Suite #	#206
Secondary Address					
Tenant	Village Dispensary			Number of Storeys	
Owner	BUS.Owner: Andrea Dobbs/Jeremy Jacob			Permit Number	DE419427 pending approval
Agent				Approved Use of Building/Land	unit: ltd. service food est.
District Zone	C-2B			Present Use of Building/Land	retail marijuana prod.
Business License	required				

Reason for Inspection Request for information

Narrative/Observations

Inspection today revealed this premise is operating as a retailer for Medical Marijuana products. DE419427 application made and is pending approval for this change of use.

Requirements

Z&D and License By-laws.

Recommendations

file

Photos Taken? Yes No

Date Report Made: December 14, 2015

John Tong
Inspector's Name

For Manager or Supervisor Use Only

File: Approval / Use Enforcement Project / Permit

FYA to:

FYI to:

Tom Hamilton
Manager / Supervisor

Photo	Description
 A photograph showing the front portion of a retail unit. A large, decorated Christmas tree stands on the left side of a long, light-colored counter. Behind the counter, a person is visible working. The background features shelves with various products and a chalkboard menu.	Front portion of the unit.
 A photograph showing the rear portion of the unit. The wall is lined with multiple shelves holding a variety of bottles, containers, and products. A person is partially visible on the right side of the frame. The lighting is bright, highlighting the organized shelving.	Rear portion of the unit.

FILE



PLANNING & DEVELOPMENT SERVICES
COMMUNITY SERVICES

May 20, 2016

Andrea Dobbs
The Village Dispensary
#206-1540 West 2nd Avenue
Vancouver, BC
V6J 1H2

Dear Ms. Dobbs:

RE: Development Application Number DE419427

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2. Appeal the Development Permit refusal to the Board of variance within 30 days of the refusal.

City of Vancouver,
453 West 12th Avenue
Vancouver, British Columbia V5Y 1V4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000
website: vancouver.ca



2016 JUN 17 11:00 AM

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If you have any questions, or to book an appointment for new application intake, please contact John Freeman at 604.873.6076, john.freeman@vancouver.ca

Yours truly,



Andreea Toma, P.Eng.
Chief Licence Inspector
Director, Licensing, Property Use Inspections
& Animal Services



John Greer
Assistant Director
Development Review Branch

AT/